

**BIRMINGHAM CITY COUNCIL
PUBLIC REPORT**

Report to:	CABINET
Report of:	CORPORATE DIRECTOR, FINANCE AND GOVERNANCE
Date of Decision:	9 October 2018
SUBJECT:	PERFORMANCES BIRMINGHAM LTD – MAKING AN ENTRANCE – FUNDING REVIEW
Key Decision: Yes	Relevant Forward Plan Ref: 005538/2018
If not in the Forward Plan: (please "X" box)	Chief Executive approved <input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member:	O&S Chair approved <input type="checkbox"/>
Relevant O&S Chair:	Councillor Brett O'Reilly – Finance and Resources and Councillor Jane Francis – Education, Skills and Culture Councillor Sir Albert Bore – Resources; Councillor Penny Holbrook – Housing and Neighbourhoods
Wards affected: I	Ladywood

1. Purpose of report:

- 1.1 To update Cabinet on Performance Birmingham Limited's (PBL) plans to improve the ICC entrance way as part of the project – Making an Entrance.
- 1.2 To note that PBL are expected to require approval for a loan facility for the completion of their project following their fund raising activities and this decision will put such a facility in place.
- 1.3 To note that commercially sensitive matters are contained within the accompanying private report.

2. Decision(s) recommended:

That Cabinet :-

- 2.1 Notes the proposal to put in place a loan facility for up to £3m for PBL to access once their grant fund raising activities in relation to Making and Entrance are complete.

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3. Consultation

3.1 Internal

The Cabinet Members for Resources and Education, Skills and Culture have been consulted on the overall proposals for Making an Entrance project and the funding proposal and are supportive.

Officers in Legal Services and Finance have been involved in the preparation of this report. The Corporate Director of Place has been consulted and is supportive of the report coming forward.

3.2 External

No external consultation has taken place on the loan facility aspect of the project. PBL has undertaken their own consultation on their project.

4. Compliance Issues:

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 Creating a city of vibrant culture is in accordance with the objectives of the Council Plan and Budget 2018+ and the Making an Entrance project specifically contributes towards:

4.1.2 **Birmingham is a great city to live in:** This scheme will provide a new entrance performance area for the ICC and will extend and re-model the Symphony Hall's public spaces to create a building that is economically sustainable, vibrant, and connected to the public realm..

4.1.3 **Birmingham is an entrepreneurial city to learn and work and invest:** Activity within the cultural sector of the City will attract business relocations and increase the leisure offer for workers and investors . Capital investment in the project will support the local economy.

4.1.4 **Birmingham is an aspirational city to grow up in;** increasing the leisure and cultural opportunities will enhance the City's reputation and improve such provision for its citizens and visitors.

4.1.5 **Birmingham residents gain the maximum benefit from hosting the Commonwealth Games:** Making an Entrance project is planned for completion in time to be able to play a part in the public realm of Centenary Square and in the hosting of the Commonwealth Games. It will project a positive image of the city.

4.1.6 **Birmingham Business Charter for Social Responsibility (BBC4SR)**

This proposal for a loan facility to PBL is not a procurement activity. PBL are members of the BBCSR and their continued compliance to the Charter will be a condition precedent within the loan documentation.

4.2 Financial Implications (How will decisions be carried out within existing finances and Resources?)

4.2.1 PBL is a company limited by guarantee from Birmingham City Council as sole guarantor. The company receives a revenue support grant from the council as shown in the table below:

	2019/20	2020/21	2021/22	2022/23	2023/24
BCC Core Grant	1,270	1,150	1,060	1,000	950

4.2.2 Financial details of the project and loan facility are contained within the private report

4.3 **Legal Implications**

4.3.1 Section 111 of the Local Government Act 1972 confers power on the Council to do anything(whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to the discharge of any of its functions.

4.4 **Public Sector Equality Duty**

4.4.1 There is no requirement for an Equalities Assessment as this decision relates to a financial transaction and will not have an impact on communities, groups or individual citizens.

4.5 **Procurement Strategy**

4.5.1 There is no procurement element to this decision.

5. **Relevant background/chronology of key events:**

5.1 Symphony Hall (SH) is one of the finest concert halls in the world. Presenting a world-class programme of music and education, it is a major cultural draw for Birmingham and is the home of the City of Birmingham Symphony Orchestra (CBSO). Over 350,000 audiences enjoyed performances at SH in 2015, across a programme of classic, jazz, folk, rock, pop, comedy and community events, high levels of audience continue to date.

5.2 The organisation which operates Symphony Hall, Performances Birmingham Limited (PBL) is about to embark upon a £13.5m capital construction project. This construction project extends and re-models SH's public spaces to create a building that is economically sustainable, vibrant, and connected to the public realm.

5.3 Key physical components of the development are:

- An extended glass frontage into Centenary Square
- 750m2 additional space
- A dedicated front door, separate to the ICC entrance
- New bars and hospitality
- 588m2 of underused space brought into commercial and learning use
- New learning, education and meeting spaces
- New corporate hospitality suites
- A relocated box office
- Enhanced FOH (front of house) performance space

5.4 PBL is undertaking a fund raising programme and approached the council for a loan facility in order to complete the project should this fund raising not reach the required level.

Evaluation of alternative option(s):

6.1 Options were considered by the City:

Option 1 – do nothing

Option 2 – Provide a loan facility – pricing options are detailed within the private report as they contain commercially sensitive detail.

7. Reasons for Decision(s):

7.1 To note the intention to provide a loan facility to PBL.

Signatures

Date

Councillor Brett O'Reilly
Cabinet Member for Finance and Resources

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Councillor Jane Francis
Cabinet Member for Education, Skills and
Culture

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Clive Heaphy
Corporate Director, Finance and Governance

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List of Background Documents used to compile this Report:

List of Appendices accompanying this Report (if any):

PROTOCOL PUBLIC SECTOR EQUALITY DUTY

- 1 The public sector equality duty drives the need for equality assessments (Initial and Full). An initial assessment should, be prepared from the outset based upon available knowledge and information.
- 2 If there is no adverse impact then that fact should be stated within the Report section 4.4 and the initial assessment document appended to the Report duly signed and dated. A summary of the statutory duty is annexed to this Protocol and should be referred to in section 4.4 of executive reports for decision and then attached in an appendix; the term 'adverse impact' refers to any decision-making by the Council which can be judged as likely to be contrary in whole or in part to the equality duty.
- 3 A full assessment should be prepared where necessary and consultation should then take place.
- 4 Consultation should address any possible adverse impact upon service users, providers and those within the scope of the report; questions need to assist to identify adverse impact which might be contrary to the equality duty and engage all such persons in a dialogue which might identify ways in which any adverse impact might be avoided or, if avoidance is not possible, reduced.
- 5 Responses to the consultation should be analysed in order to identify:
 - (a) whether there is adverse impact upon persons within the protected categories
 - (b) what is the nature of this adverse impact
 - (c) whether the adverse impact can be avoided and at what cost – and if not –
 - (d) what mitigating actions can be taken and at what cost
- 6 The impact assessment carried out at the outset will need to be amended to have due regard to the matters in (4) above.
- 7 Where there is adverse impact the final Report should contain:
 - a summary of the adverse impact and any possible mitigating actions (in section 4.4 or an appendix if necessary)
 - the full equality impact assessment (as an appendix)
 - the equality duty (as an appendix).

Equality Act 2010

The Executive must have due regard to the public sector equality duty when considering Council reports for decision.

The public sector equality duty is as follows:

- 1 The Council must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by the Equality Act;
 - (b) advance equality of opportunity between persons who share a relevant protected

characteristic and persons who do not share it;

- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

2 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
- (b) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;
- (c) encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

3 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

4 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- (a) tackle prejudice, and
- (b) promote understanding.

5 The relevant protected characteristics are:

- (a) marriage & civil partnership
- (b) age
- (c) disability
- (d) gender reassignment
- (e) pregnancy and maternity
- (f) race
- (g) religion or belief
- (h) sex
- (i) sexual orientation