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Hannah Willetts
Enterprise Zone Programme Officer
Birmingham City Council

By email only to: Hannah.Willets@birmingham.gov.uk

11 April 2022

Dear Hannah

Enterprise Zone Project Delivery Funding – HS2 Curzon Station Public Realm (Full Business Case)

Following the findings of the Independent Technical Evaluation (ITE) and approval by the GBSLEP Board on 24th March 2022 and by written procedure, this letter confirms that your request for Enterprise Zone funding has received approval. This approval is based on the evidence provided in the revised Full Business Case you submitted and the ITE received on 15 March 2022.

As part of the approval, the HS2 Curzon Station Public Realm project has been allocated a maximum funding contribution of up to **£28,787,985** (twenty-eight million seven hundred and eighty-seven thousand nine hundred and eighty-five pounds) of Enterprise Zone (EZ) funding. This includes the previously approved development funding of £2,408,426. Additional match funding is being provided by Birmingham City Council of circa. £3.75m to support the maintenance of the project for the next 30 years. The funding will be paid as capital grant in accordance with the GBSLEP Assurance Framework process. Birmingham City Council as the grant recipient, is solely responsible for meeting any expenditure over this maximum amount.

This capital grant funding is subject to the satisfactory approval of the project by the GBSLEP Supervisory Board on 13 April 2022, and satisfactorily providing any additional or outstanding information highlighted in the ITE.

The award of £28,787,985 will be provided under the terms and conditions detailed in the Service Level Agreement (SLA), by separate cover. Acceptance by Birmingham City Council of the award is acceptance of those terms and conditions.

Outputs

The SLA will also highlight the outputs and outcomes proposed in your approved Full Business Case and the monitoring and evaluation period proposed. The outcome quantities need to be confirmed by BCC by 31 May 2022. The outputs and outcomes can be summarised as:

Output Description	Output Quantity	Output Delivery Date
Construction of triangular bridge deck at Paternoster Place (sqm)	300	December 2027
High-quality pedestrian urban realm (sqm)	9,808	December 2027
Additional greenery including rain gardens and additional vegetation (trees, bushes, and smaller shrubs)	1,500sqm of planting areas with 24 trees	December 2027
The creation of developable land at the current site of the Taboo Cinema (sqm)	20,000	December 2027

Outcome Description	Method of Independent Verification	Outcome Delivery Date
Supporting economic growth and the creation of additional FTE jobs in the areas surrounding Curzon Station	Business survey and monitoring of volume, value, and rental values etc. of new commercial and residential developments through Enterprise Zone Project Monitoring site database managed by BCC and other market research	Five years after Station Opening in 2029.
Supporting business through increased footfall in areas surrounding Curzon Station	Business Survey	One Year After Station Opening
Attractive environment directly surrounding Curzon Station for active mode users	Survey	One Year After Station Opening
Efficient Interchange provision	User Survey	One Year After Station Opening
Improved Air Quality	Air Quality Measurement	One Year After Station Opening

Key Milestones

Key milestones from within the Full Business Case will be agreed within the SLA and any variance from these key milestones should be discussed with GBSLEP and will be subject to a change control process.

Funding profile

The agreed maximum funding allocation and claims profile for the delivery of the project is detailed below. Once the SLA is finalised the grant profile is considered fixed by the GBSLEP, therefore any further variance from this profile should be discussed with GBSLEP and will be subject to a change control process.

(£ million)	Previous Years	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Future Years	Total
GBSLEP EZ (Cap)	2.219	0.189	0.924	5.347	5.791	2.299	8.692	3.327	NA	28.788
BCC Revenue Contribution	NA	NA	NA	NA	NA	NA	NA	NA	3.751	3.751
Total	2.219	0.189	0.924	5.347	5.791	2.299	8.692	3.327	3.751	32.539

Conditions

This grant award is subject to you satisfying the conditions as set out in the independent technical evaluation referred to above and will be included in the Conditions Precedent of the Service Level Agreement to ensure compliance prior to any expenditure being funded by the EZ programme. This letter confirms this requirement. These conditions include (1) an update on the assumptions in the Economic Case with the evidence relating to rental yields for presentation to GBSLEP for further review; and (2) sensitivity testing is provided on office rental yield (in addition to adjustment of this rental yield in the central case) If these are not received before the SLA is finalised, it will be included as a condition to satisfy these requirements prior to payment of funding.

Subsidiary Controls

In putting forward this grant offer, GBSLEP needs to complete the assessment to determine whether this is or is not a subsidy in accordance with the Trade and Cooperation Agreement agreed between the EU and the UK on 24 December 2020 and the proposed provisions of the Subsidy Control Bill. A material part of this assessment is based upon information which you have provided to us and the assessment will need be completed before the SLA is finalised. If it is subsequently determined that this assessment is incorrect due to inaccurate information which has been provided, then this may give rise to an element, or all of the grant being withdrawn or being recovered from you.

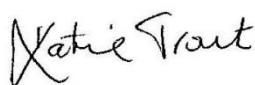
Publicity requirements

As part of the funding conditions, you will be required to acknowledge GBSLEP and Enterprise Zone funding within all publicity materials. Please can you confirm your communications lead by 22 April 2022, so that we can provide a full briefing on these marketing and publicity requirements.

Monitoring and reporting

From acceptance of this offer, you will be required to continue to report on progress through regular Project Management Reports. Kerry Billington, Consultant Programme Manager will act as the principal point of contact for the project.

Yours sincerely



Katie Trout
Chief Executive

cc. James Betjemann, Birmingham City Council