



th March 2020 and revised 15<sup>th</sup> April 2020.

## Background

2. Digbeth Public Realm Phase One is identified in the Enterprise Zone Investment Plan as a phase four project and recognised for its importance to attract investment in the Curzon area. BCC has previously secured £742,336 towards the development of the full business case, which has also facilitated a full review of Digbeth High Street, including the public realm, Metro and transport integration. The OBC was submitted on the 23<sup>rd</sup> December 2019 as part of the progression of the project in accordance with the GBS LEP Assurance Framework.
3. The OBC generally follows the previously submitted Expression of Interest (Eoi) however, as Transport for West Midlands (TfWM) has re-programmed the Birmingham Eastside Extension (BEE) project due to a conflict with the Curzon HS2 station construction programme it is now proposed to deliver elements of the Metro route, including the Digbeth High Street Public Realm works, in 2021/2022. This will be ahead of the Commonwealth Games with the remainder of the route is to be completed in line with the HS2 construction schedule.
4. Development funding to date has been utilised to tfall.
  7. The Digbeth High Street Public Realm



15. The project funding profile is set out below:

	Previous Years	2017/18	2018/19	2019/20	2020/21	Future Years	Total
Capital funding (£000's)	-	-	-	-	-	-	-

## Report to the Greater Birmingham and Solihull Supervisory Board

### Project Approval Report for consideration by Written Procedure

#### Belmont Works

28<sup>th</sup> July 2020

#### Recommendation

The Supervisory Board is requested to note the:

1. Approval by the GBSLEP Board of the allocation of £2,454,000 [two million four hundred fifty four thousand] Enterprise Zone (EZ) Site Development Access Funding (SDAF) to Birmingham City Council for the delivery of the Belmont Works project, this will complete the funding package for Birmingham City University's STEAMhouse project and is in accordance with the GBSLEP Assurance Framework following the submission of the Full Business Case and its Independent Technical Evaluation.

#### Background

2. EZ Site Development Access Fund (SDAF) was approved by the EZ Executive Board in was not met.
3. In 2017 Birmingham City University (BCU) submitted a business case to GBSLEP for redevelopment and extension of Belmont Works, a partially listed building on a plot within Eastside Locks, to create the STEAMhouse project through a development agreement with Goodman Eastside Locks UK Ltd (Goodman)
4. The development agreement between BCU and Goodman was entered on the understanding, following advice from Birmingham City Council (BCC), that the previously approved grant funding of £2.454m EZ SDAF could be applied to this project however the previous appraisal had not included this development.
5. The development comprises redevelopment of Belmont Works and creation of a new building linked to it for STEAMhouse and BCU with ancillary retail facilities and associated landscaping.
6. The STEAMhouse project was awarded £1,000,000 (one million) Local Growth Fund and £14,000,000 (fourteen million) BEIS funds in 2018, it is in delivery and due to complete September 2021.
7. On this basis a new Full Business Case was submitted to GBSLEP by BCC April 2020 and an Independent Technical Evaluation (ITE) undertaken on the continued need for SDAF funding. The (hni)2.6 (c)- Tw 26nh283 0 Tda37r -(es)-2 ( no )11.3 (r)-6 (ed i)2.6 (s)-2 (ues) within the previous FBC for the STEAMhouse project.

8. As this project is integral to the STEAMhouse project approval of £2.454,000 would take the combined GBSLEP investment to £17,454,000 requiring GBSLEP Board decision

### Case for C hange

9. Eastside Locks continue to be of strategic importance to the EZ and this project is a key gateway to the site, unlocking the remainder of the plots. Goodman will also deliver infrastructure in the form of Arrival Square and Glassworks lane that access a development comprising 769 homes
10. The STEAMhouse project will bring a derelict, locally listed building back to economic use delivering new commercial space and increase higher level skills
11. The STEAMhouse project is in delivery on site and though it has been slowed down due to the impact of Covid 19 mitigation, still aims to complete for September 2021.
12. Goodman have agreed a fixed price contract with BCU and BCU have accounted for the £2.454 EZ SDAF as part of the funding package to cover this, if EZ SDAF is not approved the STEAMhouse project will need to be descoped to reduce the cost to BCU
13. It is estimated that the STEAMhouse project including the Belmont Works element will generate an overall Benefit-Cost Ratio of 3.4 demonstrating high value for money

### Outputs and Outcomes

14. This project does not provide any additional outputs or outcomes, however it does protect those of the STEAMhouse project which would be reduced should the project have to descope due to EZ SDAF not being available

### Funding Profile

	2019/20	2020/21	Future Years	Total
	£	£	£	£
Capital (LGF)	1,000,000	0		1,000,000
Capital (EZ)		2,454,000		2,454,000
Capital (BEIS S31)	11,633,285	3,366,715		14,000,000
Capital (BCU)	1,520,754	16,811,000	22,113,246	40,445,000
<b>Total</b>	<b>13,154,039</b>	<b>22,631,715</b>	<b>22,113,246</b>	<b>57,899,000</b>

### Risks and Issues

15. Due to COVID-19 mitigation the STEAMhouse project delivery will be delayed approximately 2 months however completion is still forecast for the end of September 2021
16. The STEAMhouse project assumes EZ SDAF as part of the project budget, if it is not approved the project will need to be reengineered to reduce cost potentially leading to a reduction in overall outputs and outcomes





## Report to the Greater Birmingham and Solihull Supervisory Board

Project Approval Report for consideration under Written Procedure

### Open House, the REP

28 July 2020

#### Recommendation

The Supervisory Board is recommended to note:

1. Approval of the allocation of £149,897 (one hundred and forty-nine thousand and eight hundred and ninety-seven thousand pounds) to the Birmingham Repertory Theatre (The REP) to progress the Open House project from Outline to Full Business Case. The decision was made by the Programme Delivery Board (PDB) under the delegated authority and in accordance with the GBSLEP Assurance Framework

#### Background

2. The expression of interest to LGF was submitted by the REP in August 2019 and was rated as "A – Essential to the Strategy – projects that are paramount to the achievement of the SEP ambitions" strategic fit in October 2019. An initial Outline Business Case (OBC) was submitted in June 2019 and a second OBC subthe OBC, the

2020.

to progress the detailed design

ance Framework.

#### Case for change

6. For over a century, the internationally renowned REP has been one of the country's leading cultural institutions at the forefront of theatre in the UK. The REP is a gem in the cultural landscape of Birmingham which enriches the lives of the communities we serve. This project will transform the public areas of The REP creating a much more welcoming and accessible entrance that will better connect us with the revamped Centenary Square and surrounding area. We aim to capitalise on the growing footfall of the square by introducing new food and beverage opportunities with outdoor seating overlooking the square. The remodelling of the public areas will also allow for more informal and diverse performances as well as private events. Ultimately, this project will allow the REP to generate additional revenue, which will protect the long-term sustainability of their business as well as attract more visitors and create new jobs.
7. Open House is also an expression of The REP's evolving artistic vision and social purpose under its new management team, which is not fully captured in the current Strategic Plan, which pre-dates them. Open House is a statement about what their role is and who the building is for. By opening up the building, they are communicating that The REP is for everyone – an accessible and welcoming space owned by and open to the people of the city and beyond. This project is as much about people as it is about a building.





3.	Net additional GVA per annum	£766,000	March 2025
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#### Funding Profile

13. The allocation of Development Funding will be included in the total capital grant allocated to the project, subject to the approval of the FBC. Should the FBC not be completed or delivery of the project