

<b>Report to:</b>	<b>CABINET</b>	
<b>Report of:</b> <b>Date of Decision:</b>	<b>Strategic Director of Development</b> <b>27 February 2006</b>	
<b>SUBJECT:</b>	<b>BIRMINGHAM GATEWAY (BIRMINGHAM NEW STREET STATION)</b>	
<b>Key Decision: Yes</b>	<b>Relevant Forward Plan Ref: 134431/2006</b>	
<b>Type of decision:</b>	<b>Executive</b>	
<b>Relevant Cabinet Member(s):</b>	<b>Councillor Mike Whitby</b>	
<b>Relevant O&amp;S Chairman:</b>	<b>Councillor Michael Wilkes</b>	
<b>Wards affected:</b>	<b>ALL</b>	

## 1. Purpose of report:

- 1.1 In September 2004 Cabinet agreed to support the Birmingham New Street Regeneration scheme. Approval was given for a funding package to take forward the scheme development.
- 1.2 The design development and business case work has now been completed and assessed as satisfactory. This report seeks approval to a preferred option and further development work, which it is suggested forms the basis of a future funding application to Government to secure the implementation of the project.

## 2. Decision(s) recommended:

It is recommended that Cabinet;

- 2.1 Support the Gateway 1 scheme described in this report and accompanying presentation the preferred option of the City Council following the completion of the design development and business case work.
- 2.2 Authorise the Strategic Director of Development to complete and submit a business case in support of outline funding applications to Advantage West Midlands and the Department for Transport.
- 2.3 Agree to revised governance arrangements through the appointment of a Project Manager (Appendix 2).
- 2.4 Agree to utilise £1.5million from the Capital Programme 2006/07 to support the ongoing work through continuing the current arrangement with Network Rail necessary to take the project forward subject to the budget being approved at City Council on 28 February 2006,

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### **3. Compliance Issues:**

#### **3.1 Are Decisions consistent with relevant Council Policies, Plans or Strategies:**

The Cabinet and Corporate Plan 2005+ includes the regeneration of New Street Station as a key priority to progress. It is a high priority within the West Midlands Local Transport Plan and the Regional Funding Priorities.

#### **3.2 Relevant Members /Officers / others consulted on this matter:**

The Cabinet Members for Regeneration and Transportation and Street Services have agreed the report. The steering arrangements for the project include Network Rail, Department for Transport, Advantage West Midlands and Centro, chaired by the City Council's Leader.

#### **3.3 Relevant legal powers, personnel, equalities and other relevant implications (if any):**

Legal Powers – The powers to make contributions to public transport enhancements are contained within Transport Acts 1968 and 2000.

#### **3.4 Will decision(s) be carried out within existing finances and resources? Yes**

The September 2004 Cabinet Report reported that the cost of the feasibility study was estimated to be £3.8m with City Council contribution of £0.9m. The actual costs of the study so far amount to £3.6m.

The programme of expenditure and work for 2006/07 is set out in Appendix 3 including the financial implications. It is supported by £200,000 contribution from Centro already agreed. Resources for additional Project Management are included.

#### **3.5 Main Risk Management and Equality Impact Assessment Issues (if any):**

A Risk Management Assessment has been carried out in detail by risk consultants. A national Gateway Review with 4Ps is proposed prior to the funding submission.

### **4. Relevant background/chronology of key events:**

4.1 This report follows on from a Cabinet Report of 20 September 2004 which approved the entering into a funding agreement for taking forward the design/feasibility study with the Strategic Rail Authority the Birmingham New Street Regeneration Project.

This report recommends allocating up to a further £1.5million to the project in order for it to proceed to implementation.

4.2 Birmingham New Street Station is the busiest Interchange railway station in the UK. It currently operates at twice its design capacity and with increasing passenger demand (50% growth in the last 5 years). Without significant enhancement work further safety closures are inevitable. Moreover the Station's poor image as the premier gateway into Birmingham detracts from visitors image of the City and jeopardises the future regeneration of Birmingham and the West Midlands region.

4.3 Recognising this problem the Strategic Rail Authority (SRA) and Network Rail prepared a scheme known as the 'Network Capacity Enhancement Scheme' to improve the passenger handling capacity of the station. This scheme proved to be unfundable through the rail industry alone and also failed to address the wider regeneration agenda. In 2003 the City Council subsequently agreed to establish and Chair a Steering Group of key stakeholders (Advantage West Midlands, Centro, SRA (subsequently Department for Transport) and Network Rail to drive forward a regeneration project with an improved New Street Station at its core. Since then extensive design development work and parallel business case analysis has been undertaken. That work has now been completed. A wide range of options from incremental improvements through to comprehensive redevelopment have been investigated, costed and evaluated from a business case perspective (see Appendix 1). A solution known as Gateway 1 is proposed, meeting all the schemes objectives which were established at the outset :-

- Solving long term passenger capacity issues
- Transforming both the internal and external appearance of the Station and Shopping Centre.
- Achieving permeability and connectivity aims.
- Facilitating major development opportunities adjacent to the Station.
- Creating a new image for the Station and Shopping Centre to provide an essential element in the wider regeneration of the City and region.
- To maximise the opportunity to partner with the new owner of the Pallasades Shopping Centre (Warner Estates).
- Achieving a good value for money.
- To provide for enhanced public and private transportation interchange.
- Gateway 1 has an outstanding business case (see Appendix 1).

4.4 The accompanying presentation at your meeting explains the details of the preferred Gateway 1 scheme. In essence this incorporates :-

- Sweeping away the 1960's clutter from the platforms, lighting and finishes.
- Enhanced escalators and lifts to platforms.
- New airport style departure lounges above platform with significantly greater passenger capacity. A new pedestrian route extending from Stephenson Street to Station Street with a concourse five times larger than existing and accessed directly from street.
- Introduction of new glazed cladding to all external elevations to create a unified appearance.
- Refurbishment of retained multi-storey car park above shopping centre.
- Introduction of natural light into remodelled concourse and upper level of retailing (Pallasades).
- New ramp to upper level car park and servicing of shopping centre.
- New and enhanced pedestrian access into the station from Stephenson Street (adjacent to proposed Metro stop) remodelling the New Street ramp, and at Station Street a grand stairway to replace Stephenson Tower.
- Creation of a significant commercial development opportunity at Queens Drive/Station Street.
- Infilling of small "void" between Station and Bullring to create a new public open space opposite to the Bullring.
- The removal of the barrier level Pallasades Car Park to "grow" the concourse involves the loss of 500 spaces. The existing upper level car park of 500 car parking spaces will remain. Access/egress from Hill Street (the immediate area has an excess of spaces).
- At least 40 short stay parking spaces currently located at the east of the station to be reprovided at the Western side of the station. Access from Hill Street, egress from Navigation Street.
- Taxi provision to be split – drop off from Hill Street (former Queens Drive), pick up from former Queens Drive access/egress from Smallbrook Queensway.

4.5 The completion of the feasibility study including the establishment of a preferred option and business case represents considerable progress. To proceed to the next stage and to secure government funding approval to enable the project to proceed into implementation further work is necessary in terms of :-

- Completing and reviewing the business case (Central Government Interrogation of Case).
- Establishing a commercial structure and procurement strategy.
- Securing detailed approvals from statutory bodies including HMR1.
- Completion of an outline planning application (and associated environmental, retail and Transportation assessments). Discussions are proceeding to secure the co-operation of the new owners of the Pallasades Shopping Centre.

Approval is sought to submissions for funding to Advantage West Midlands (up to £100m) and Department for Transport. It is estimated that this work will be completed by December 2006 when it is hoped that Government will approve the outline funding applications. The workstreams proposed for 2006 require a budget of £1.5 million. Centro have already approved a contribution of £200,000 for 2006/07.

A parallel study of train capacity is currently being undertaken by DfT and NR to future proof the works proposed at New Street. This work will be complete prior to the funding submissions being made. This work does not include consideration of an alternative to New Street but rather examines the need for complimentary signalling, deep tunnelling etc.

**5. Evaluation of alternative option(s):**

A range of options from “Do Nothing”, Do Minimum through to comprehensive and redevelopment have been considered and are summarised in the Business Case. Full details of alternatives considered are contained in Appendix 1. ‘Gateway 1’ scheme is recommended as meeting all the stakeholders objectives both in terms of transportation and regeneration, with the best business case.

**6. Reasons for Decision(s):**

To provide an appropriate gateway experience for the City and Region at New Street Station and to help to facilitate both the economic revitalisation of the City Centre and rail passenger growth.

**Signatures (or relevant Cabinet Member(s) approval to adopt the Decisions recommended):**

Chief Officer(s): .....

Cabinet Member(s): .....

Dated: .....

**List of Background Documents used to compile this Report:**

Birmingham New Street Station Regeneration : Outline business case, Cabinet Report 20 September 2004

Centro Report to West Midlands Passenger Transport Authority Transport Strategy Committee, 5<sup>th</sup> September 2005.

**List of Appendices accompanying this Report (if any):**

1. Birmingham Gateway Business Case Summary document.
2. Governance Proposal
3. Birmingham Gateway – future work items, and way forward.