

This is a published notice on the Find a Tender service: <https://www.find-tender.service.gov.uk/Notice/018701-2023>

Award

## **Warwick Bar - Land at Fazeley Street**

Homes England (the name adopted by the Homes and Communities Agency)

F15: Voluntary ex ante transparency notice

Notice identifier: 2023/S 000-018701

Procurement identifier (OCID): ocds-h6vhtk-03ddec

Published 30 June 2023, 2:26pm

### **Section I: Contracting authority/entity**

#### **I.1) Name and addresses**

Homes England (the name adopted by the Homes and Communities Agency)

1 Friargate

Coventry

CV1 2GN

#### **Email**

[digbeth@homesengland.gov.uk](mailto:digbeth@homesengland.gov.uk)

#### **Country**

United Kingdom

#### **Region code**

UKG33 - Coventry

#### **Internet address(es)**

Main address

<https://www.gov.uk/government/organisations/homes-england>

Buyer's address

<https://www.gov.uk/government/organisations/homes-england>

#### **I.4) Type of the contracting authority**

National or federal Agency/Office

#### **I.5) Main activity**

Housing and community amenities

---

## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Warwick Bar - Land at Fazeley Street

Reference number

DN647625

#### **II.1.2) Main CPV code**

- 45000000 - Construction work

#### **II.1.3) Type of contract**

Works

#### **II.1.4) Short description**

This notice relates to an Agreement for Lease and accompanying Lease between the Homes and Communities Agency (trading as Homes England) and Digbeth Loc Limited for a term of 200 years relating to the Banana Warehouse and accompanying land at Fazeley Street, Digbeth, Birmingham, B5 5RT. The subject matter of this contract is not considered by the contracting authority to represent a procurement as defined by the Public Contract Regulations 2015. The resulting agreement includes protections but no controls or positive obligations which would result in this land transaction being

considered a procurement of Works or Services. This notice is published on a voluntary basis to satisfy the transparency requirements of both parties to the contract.

The value published at II.1.7 and V.2.4 represents the land value to be paid to Homes England as a result of this land transaction, which has been certified as Market Value by independent RICS certified valuers.

#### **II.1.6) Information about lots**

This contract is divided into lots: No

#### **II.1.7) Total value of the procurement (excluding VAT)**

Value excluding VAT: £400,000

### **II.2) Description**

#### **II.2.3) Place of performance**

NUTS codes

- UKG31 - Birmingham

#### **II.2.4) Description of the procurement**

The site is located approximately 1.0km (0.6 miles) to the east of Colmore Row, which is considered as Birmingham City Centre. Birmingham Moor Street railway station is located circa 500m away and Birmingham New Street circa 900 m. The site is approximately five minutes' walk from the proposed HS2 arrival point into Birmingham, Curzon Street station.

Homes England acquired the Fazeley Street site under the UK Governments "Single Land Programme" in 2016. The proposed parcel of land is a smaller portion of this overall site.

Birmingham City Council adopted the Birmingham Development Plan in 2017. This identifies Digbeth as a Creative Quarter and new urban village primarily centred on creative industries, leisure and residential-led mixed use development, and the Council has actively investors and developers to deliver these uses within the area.

In February 2022, Digbeth Loc Limited, an English Private Limited Company, approached Homes England with proposals to acquire a portion of the Agency's land in Digbeth to deliver a TV studio led redevelopment by way of a direct negotiated disposal (via an Agreement for Lease). Following detailed consideration, the Agency agreed it was minded to consider the proposals and negotiate disposal terms on the basis of an Agreement for Lease at Market Value.

Such an Agreement for Lease at Market Value, as permitted and envisaged within the Public Contract Regulations 2015; the Localism Act 2012 and accompanying regulations and circulars. The Agency has taken advice from external legal advisors and King's Counsel (KC) who have confirmed their opinion that such a lease agreement stands outside the Public Contract Regulations 2015 and does not constitute a procurable opportunity for the purposes of the Regulations.

Digbeth Loc Limited have developed proposals for the delivery of a TV studio and related offices on the proposed area outlined in the Agreement for Lease. The gross development value of this scheme is, at 19/12/2022 £9,073,077 (GBP). This value has been reviewed and independently verified by RICS qualified valuers and Quantity Surveyors on behalf of the Homes England. As of 19/12/2022, an independent Red Book Valuation for the value of the area of land within the proposed Agreement for Lease has been obtained which supports the value of the transaction - Homes England is to sign an Agreement for Lease with Digbeth Loc Limited for £400,000 (GBP). This payment relates solely to the Banana Warehouse building and adjacent land to deliver a commercial TV studio premises, not the wider Fazeley Street site.

The Agency has taken the view that given the nature of the transaction that it is appropriate to publish this Notice on a voluntary basis to satisfy the transparency requirements of both parties to the contract.

#### **II.2.11) Information about options**

Options: No

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

---

## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.1) Type of procedure**

Award of a contract without prior publication of a call for competition in the cases listed below

- The procurement falls outside the scope of application of the regulations

Explanation:

The subject matter of this contract is not considered by the contracting authority to represent a procurement as defined by the Public Contract Regulation 2015. The resulting agreement includes protections but no controls or positive obligations which would result in this land transaction being considered a procurement of Works or Services. This notice is published on a voluntary basis to satisfy the transparency requirements of both parties to the contract.

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

---

## **Section V. Award of contract/concession**

A contract/lot is awarded: Yes

### **V.2) Award of contract/concession**

#### **V.2.1) Date of conclusion of the contract**

19 June 2023

#### **V.2.2) Information about tenders**

The contract has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor/concessionaire**

Digbeth Loc Limited

c/o Stanhope, 2nd Floor, 100 New Oxford Street

London

WC1A 1HB

Country

United Kingdom

NUTS code

- UKI - London

The contractor/concessionaire is an SME

No

#### **V.2.4) Information on value of contract/lot/concession (excluding VAT)**

Total value of the contract/lot/concession: £400,000

---

## **Section VI. Complementary information**

### **VI.4) Procedures for review**

#### **VI.4.1) Review body**

Royal Court of Justice

The Strand

London

WC2A 2LL

Country

United Kingdom