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ARTICLE

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# Brindleyplace, Birmingham: Creating an Inner City Mixed-use Development in Times of Recession

ANDREW COULSON & GEOFF WRIGHT

## Abstract

*This article tells the story of Brindleyplace, a pioneering mixed-use development in Birmingham, UK. It describes how the development was delivered according to a masterplan and pioneering 'partnering' arrangements whereby contractors were involved with architects in designing the buildings. The scheme created new commercial squares, brought activity to historic canalsides, and included the first private housing development of any significance in inner city Birmingham since the Second World War. However, it could have been very different. The City Council assembled the site, set out a vision, and selected a consortium of developers. During a recession, a new and more flexible masterplan was developed. When the site went into receivership, the Council was able to enforce clauses in the development agreement with the result that the receiver sold it to a new developer, Argent, for a fraction of the price paid four years previously. Argent subsequently constructed individual buildings as and when the market allowed. What happened therefore illustrates the role of external events, in this case, the property crash of 1989, in the development process, as well as the contribution that can be made by a robust yet flexible vision and a masterplan emphasizing quality of design. It shows how property development is not necessarily a linear process and that public sector land owners can sometimes achieve positive outcomes by taking advantage of opportunities opened up by financial distress.*

## Introduction

Brindleyplace is an inner city mixed-use development on 7 hectares of land next to the International Convention Centre in Birmingham, UK. Constructed between 1993 and 2010, it includes 11 buildings built around two new squares, primarily offices but with shops and restaurants on the ground floors, and with canalside bars and restaurants, a sea-water aquarium, a theatre, fitness centre, hotels, and housing. It pioneered mixed-use development in the UK and innovated in its planning regime, its methods of procurement, its openness to pedestrians, its re-use of listed buildings, its use of public art, and especially its layout and design. It is often cited as an example of successful partnership working between the eventual developer,

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Argent PLC, and the city council, and between the developer and teams of architects, contractors, engineers, and quantity surveyors.

## **Background**

The 1947 Town and Country Planning Act established development control in the UK under which land was normally allocated for a single use. This served to prevent obtrusive house building in the countryside and enabled planners to preserve land for manufacturing in built up areas. It gave a context for future development, although (after the abolition in 1953 of closely related provisions for public ownership of development land) it allowed the potential for windfall profits if a developer could acquire land on the basis of one land use (e.g. manufacturing) and get it reclassified for another use (commercial uses or residential housing). By the 1970s, under the influence of Jane Jacobs and other urban sociologists, there was a growing awareness of the potential benefits of more flexible planning and the advantages of traditional streets and squares. Brindleyplace put some of this thinking into practice, as did developments that followed elsewhere in the UK, for example, Bristol Harbourside, Salford Quays, the Clyde Waterfront in Glasgow, and the current King's Cross development in London by Argent PLC, the company which developed Brindleyplace.

This case study sheds light on how Brindleyplace was achieved. It sets out the twists and turns in land transactions and planning proposals, which could easily have led to very different results, had it not been for unplanned receiverships, particular clauses in contracts, the characteristics of the developers involved at various stages, and the determination of the city council to exploit the strengths of its contractual position. The study focuses on the roles of the key individuals involved and their inter-relationships. The importance and value of relationships are widely recognized in the management literature in relation to complex inter-organizational programs (Kanter, 1989) and in the literature on construction. But they are under-researched aspects of the development process in the UK, whereas these are more recognized in the US, for example, in the celebration of the roles and contributions of 'equity planners' such as Norman Krumholz in Cleveland, Ohio (Krumholz & Forrester, 1990; Krumholz & Clavel, 1994).<sup>1</sup>

The authors are not independent observers. One was the council planner responsible for Birmingham city centre who worked closely with the developer through the key period when many of the decisions were taken. The other was a city councillor between 1990 and 2004, and Chair of the National Exhibition Centre/International Convention Centre Committee from 1993 to 1997. He was close to what was happening in Brindleyplace without being directly involved until he became the Member of the city council cabinet with responsibility for Regeneration between 2001 and 2004, by which time most of the key decisions had been taken.

The original intention of this article was to study the documentation and then to supplement it through interviews with key players. However, few of the planning documents appear to have survived either in the Birmingham Council files or the council archives. We were given access to the papers held by Argent PLC which had been boxed ahead of their withdrawal from the site in 2011; there is no

certainty that these papers will survive or will be available to future scholars. So for the early years, we have made extensive use of the collection edited by Latham and Swenarton in 1999, which includes a historical article by Joe Holyoak and commentaries by a large number of the key players, and a valuable collection of documents brought together by Norman Bartlam in 1996. Therefore, the interviews took on more importance, and we are extremely grateful to Alan Chatham, of Birmingham Mailbox Limited, and Roger Madelin and Gary Taylor of Argent PLC who were extremely open and frank about what had happened.

There are unique features in this study that could, or would, not be copied in another development. However, general conclusions could be drawn about the value of relationships, the contribution of the public sector (in this case the city council) to deliver private sector development, the need for flexibility and corporate learning, the value of quality in design, and the means available to bring development to fruition at a time of recession when banks are very cautious about lending.

There are three key phases to the story of Brindleyplace:

1. During the period from 1984 to 1987 a 10-hectare (26 acre) site was assembled, and a development brief prepared, to include a national arena for sport and activities which would support the nearby International Convention Centre. In 1988, this land was sold to a consortium of three companies who signed a complex agreement to develop it. Of these, Laing would construct the National Indoor Arena on the site, while Merlin and Shearwater would develop the 8 hectares, which became Brindleyplace, valued at £23.3m.
2. Between 1988 and 1992, the developers tried, but failed, to develop the 8 hectares. Merlin and Shearwater got into financial difficulties, leaving Rosehaugh, Shearwater's parent company, responsible. A new masterplan was drawn up, influenced by the progressive thinking associated with the Highbury Initiative (BCC, 1988a) and the Birmingham Urban Design Study, and outline planning permission granted. A revised development agreement was signed in 1992, just as Rosehaugh itself went into receivership.
3. In 1993, the land was sold to Argent by the receiver, for only £3.6m, with Argent required to take on the conditions in the agreement. The masterplan was further improved, a revised planning permission was obtained, and over the next 17 years buildings which were both technically innovative and visually attractive were created by 11 leading architectural practices.

#### *Land Assembly and the 1987 Development Brief*

The Victorian commercial centre of Birmingham, around Colmore Row, was never large, and it was hemmed in when the inner ring road was constructed in the 1960s and 1970s. Partly, as a consequence, a second commercial hub grew up, around Five Ways, about a mile west of the city centre.

Plans for Birmingham dating back to the 1930s envisaged a new civic centre along Broad Street. Only one of the proposed buildings, Baskerville House, was

constructed, but the city used some of the remaining land for a new building for the Repertory Theatre, opened in 1971. Then, in 1983, the City Council began to assemble land off Broad Street, for the purpose of building a modern convention centre, together with associated commercial uses. This would allow the city centre to expand outside the inner ring road and would join together its two commercial hubs.<sup>2</sup> The Council was granted powers to acquire 36 acres (nearly 15 hectares) compulsorily for the Broad Street Redevelopment Area.<sup>3</sup> Most of the buildings to the South of the Birmingham Canal were derelict factories and surface parking, while to the North of the canal were railway sidings and a scrap yard. The council already owned some of the areas including the site of a Victorian exhibition and event hall, Bingley Hall, which had burnt down in 1984, and the redundant Oozells Street School, a historic 'listed' building. The remaining land purchases—mostly by negotiation—cost it around £3.5m.<sup>4,5</sup>

Part of this land was used for the International Convention Centre, which received planning permission in 1987 and opened in 1991. Other plots were provided for two hotels, the Hyatt and Novotel. In July 1987, with the footprint of the Convention Centre decided, the Council invited developers to submit proposals for the remaining 26 acres, across the canals from the Convention Centre. The Council had been granted £3m from the Sports Council toward the 'National Indoor Arena for Sport', and this was expected to be the focus of the development with adjacent and supporting commercial uses. An arena design by the city architect had been costed as likely to significantly exceed the council's preliminary budget of £19m, so the council decided to seek a partnership with the private sector, offering the £19m to defray the cost of an arena.

The brief was in two documents. One was a detailed design and build specification for the Arena, and the other was a short planning brief inviting developers to propose commercial activities that would complement the Convention Centre and Arena. This started with a glowing quotation on the concept of a 'Festival Marketplace', i.e., a large area of shops for tourists and visitors, from the prominent US developer and entrepreneur Jim Rouse whose Enterprise Development Company had developed the concept at Baltimore Inner Harbour and Boston's Feneuil Hall Marketplace and who in 1984 had hosted a delegation of Birmingham councillors and officials who visited the American East Coast. The brief included a list of 'must haves': access links and parking for the arena, 'people attracting' uses including a Festival Marketplace and retention of the listed buildings, and a list of 'could haves' including visitor attractions, such as an aquarium or museum. Offices and housing were possibilities, which could be included, provided the other requirements were met. The council was offering a 125-year lease. The arena and significant retail and leisure uses were to be completed by 1991, when the International Convention Centre was planned to open.

From 21 expressions of interest, six developers were invited to prepare costed schemes. Four proposed building the arena North of the Birmingham Canal, on former railway land and over the main railway line from Wolverhampton. Building over the railway had not previously been considered viable by the Council. It added substantially to the costs, but had the great advantage of creating a new prime site—the 8 hectares along Broad Street next to the Convention Centre that became Brindleyplace.

One of the bidders was Merlin International, a company related closely to Jim Rouse and then working on a major development at Darling Harbour in Sydney, Australia. Another was a joint venture by two companies, Shearwater and Laing. Shearwater was the retail development subsidiary of the developer Rosehaugh, which, from 1978, the entrepreneur Godfrey Bradman had turned into one of the UK's largest and most dynamic property companies (Adams, 1994). Laings were builders, rather than developers. Their focus was as prospective contractor to design and build the arena. Their design for the arena was by the American architectural firm HOK. Shearwater and Laing decided that their best chance of winning the contract was to merge their bid with that of Merlin. Another strong bid, from Ladbroke City and County, offered the city a substantially higher initial cash sum for the land.

These two proposals were progressed to a final stage of a more detailed assessment. The Council negotiators were spurred on by the leader of the Council, Sir Richard Knowles, to achieve a combination of a high-capital receipt, imaginative scheme, and watertight commitments to funding and delivery. As the schemes and financial negotiations progressed, the HOK design and Laing delivery for the arena became favoured by the sports client advisors. The Merlin, Shearwater, Laing (MSL) consortium improved their cash offer. Jim Rouse crossed the Atlantic to present Merlin's concept of the festival marketplace. Their proposals included a national aquarium which, it was hoped, would attract two million visitors a year, an OMNIMAX/IMAX and a multiplex cinema, a museum of sport, a bowling alley, a hotel, craft workshops (in the former Oozells Street school that later became the Ikon Gallery) and a monorail. A total of 60,000 m<sup>2</sup> of offices were shown along Broad Street. The arena was to cost £51m, nearly £20m more than the original estimates, mainly due to the extra costs of bridging the railway. The lease on the remaining 8 hectares was valued at £23.3m—money which helped meet the costs of the arena.<sup>6</sup> The total investment was estimated as £200m. Even so, when the plans went to the Council's Finance and Management Committee for approval of a preferred developer, it divided on party lines, with the Conservative councillors supporting the Ladbroke bid and Labour, which held the majority, the consortium. Outline planning permission was granted in September 1989, and development contracts were formally exchanged a month later, in a blaze of publicity about the festival marketing and the monorail.

The developers were required to meet commitments by specific dates, including the requirement that they should prepare detailed proposals and gain planning permission for the first commercial phase by November 1990. If they failed to meet this or other conditions, or went into receivership, the agreement would be breached, and the city would be able to take back the land for a nominal sum. The inclusion of these clauses was to have a huge influence on the eventual development of the site.

### *1989–1992—The Collapse of the Commercial Property Market*

Laings were granted planning permission for the arena in September 1989 and started building. It opened on time and somewhat over budget in November 1991 (the additional costs were divided between the developers and NEC Ltd).

The arena provides a venue for plenary events associated with the largest conferences and has proved adaptable for hosting concerts, Davis Cup tennis, large-scale opera, pop concerts, musicals, the Eurovision Song Contest, and exhibitions, as well as the indoor athletics for which it was designed.

Little progress was being made on the rest of the site. The agreement had been signed at the peak of the late 1980s property boom. But within a few months, property prices were falling, many developers were in difficulties, and banks were nervous. Laing's involvement did not extend beyond the arena. Merlin became embroiled in court proceedings relating to the monorail at Darling Harbour, and before the end of 1989, it became clear that it would not be able to pay its contribution to the first instalment on the purchase price. It formally withdrew in July 1990. By this time, Shearwater had also become a victim of the recession and ceased trading. The site, and the project, reverted to Shearwater's parent company, Rosehaugh (as guarantor of the MSL consortium), and its Chairman Godfrey Bradman.

By this time, the original Festival Marketplace ideas had been revised and the proposed monorail quietly dropped. Although never formally submitted for planning, Ian Pearce of Shearwater (a driving force behind the Ocean Village in Southampton and Bluewater Shopping Centre in East London) had revised Merlin's concept for a festival market to include more indoor shopping with long-term tenancies. Bradman had doubts about the economic potential of this kind of retailing and asked one of his staff, Alan Chatham, to report to the Rosehaugh board. Chatham visited the US and Southampton and concluded that festival retailing was unlikely to provide a return on the investment. The first installment on the payment for the land was now due. Withdrawing would cost Rosehaugh £23m. However, Chatham, who had worked on Rosehaugh's flagship mixed-use development at Broadgate, near Liverpool Street Station just outside the core of the London City, concluded that a mixed-use office-led development could offer some prospect of a return on the investment. Bradman gambled that he could persuade the council to alter the brief and paid the first instalment. He created a new subsidiary company, Brindleyplace PLC, to develop the site, appointed Chatham as project manager, and commissioned a new masterplan from the architect Terry Farrell.

Earlier, in March 1988, Farrell, along with a number of UK and international architects and planners had taken part in the Birmingham Council-inspired Highbury Initiative—held at Highbury Hall, the former dwelling house of Joseph Chamberlain, the entrepreneurial Mayor of Birmingham in the 1880s. The Highbury Initiative was a brainstorming event based on the American Urban Development Action Team model. It set an agenda for change to make Birmingham's City Centre a more attractive place for business and for visitors. It focused on the physical environment, developing a response to the poor urban design that had characterized Birmingham's inner city development since the Second World War. It set the scene for the Pedestrian Movement and Open Space Strategy 1988, which proposed 'breaking the concrete collar' of the city's 1960s Inner Ring Road and led to a structured programme enhancing the city's streets and squares. 'Quarter plans' followed to develop the identity and opportunities of distinctive localities around the city centre core, including a plan for the

Convention Centre Quarter (BCC 1993). Urban design guidance was set out in the Birmingham Urban Design Study (City Centre Design Strategy), commissioned from Tibbalds Colbourne and adopted in 1990.

These place-making principles were to define Birmingham's City Centre planning for the next 20 years. For Brindleyplace, this implied a new agenda seeking an emphasis on streets and squares and on masterplanning for areas with mixed uses and where individual buildings could be designed and built independently and changed over time, rather than as monolithic complex structures. Older buildings would become more valued, to be retained and put to new uses where possible; areas should be friendly to pedestrians, with active frontages (e.g., shop windows) and restaurants spilling out onto pavements with surface level crossings of main roads rather than pedestrian subways; and public art would be incorporated in designs at the planning stage.

The new masterplan, released in March 1991, embraced these principles. Much of it was the work of John Chatwin, then a partner at Farrell's (Chatwin 1997, 1999). A new bridge over the canal, aligned with the Convention Centre mall, would attract pedestrians into an area with 19 shops and restaurants, over 100,000 m<sup>2</sup> of offices, and at least 100 homes above retail and office uses. Buildings, now primarily offices, would be grouped around a new public square, with a gradual development of the site. No single building would dominate. There would be a visitor attraction, possibly an aquarium, an IMAX cinema, and/or a 'science of sport' museum. Oozells School, and other remaining listed buildings on the site, would be retained. And above all, there would be high-quality urban design and public art throughout. Proposals along similar lines were made by Birmingham for People (1991), a lobby group of architects, planners, and citizens, which developed an effective critique of the proposals for a replacement Bull Ring shopping centre on the opposite side of the city centre—but they were knocking at an open door, since City Council planners and Alan Chatham were working on similar lines.

Geoff Wright, the planner responsible for Birmingham City Centre worked with Chatham to revise and simplify the 1989 agreement in line with the new masterplan. Rosehaugh had many other matters to contend with, and, once the Indoor Arena was secure, the City Council saw the delivery of the remaining private development as a planning rather than corporate responsibility. So, Chatham and Wright were left by their respective Chief Executives with the challenge to 'see if you can achieve anything'. They met weekly to firm up the masterplan and the related property agreement as a package that would allow flexibility in a difficult climate while protecting the key objectives of both the developer and the City Council. This working relationship involved sharing viewpoints and finding common ground. It was an unusually close public/private engagement with a strong degree of trust and a joint commitment to deliver a scheme that, as Wright put it in 2003, 'must work in commercial terms and in civic terms, for people as consumers and for people as citizens'. Their biggest problems were the increasingly challenging market context for provincial development and managing the expectations of City politicians frustrated that the international ambitions of the 'festival market' were ebbing away. Frank McLoughlin, Chair of the Planning Committee, supported the urban design ideas but feared that an office-led development could be dead after dark (the planning committee visited

Broadgate on a Sunday, at a quiet time). Market realities and the benefits of the new masterplan were explained at meetings of the Leader's City Centre Steering Group. Chatham doubted if the city would accept the new approach, and approached Lord Dennis Howell, a prominent Birmingham MP and a former Minister for Sport, to lobby senior members. He also employed the academic architect/planner Bill Hillier to model the pedestrian flows (Hillier et al., 1991)—council officers agreed with the conclusions while doubting whether anyone other than the authors fully understood the report. The newly appointed Director of Planning, Les Sparks, gave his strong support to the approach.

The City politicians were persuaded to accept the new masterplan and revised development agreement. These removed the city's requirements for the festival marketplace and all other components of the scheme to be delivered within guaranteed timescales, replacing them with a less extensive but shorter term requirement to build, within 15 months of signing, 'The Water's Edge', a first phase of restaurants and shops opposite the Convention Centre. The developer also agreed to restore the shell of the listed Oozells Street school building to continue to seek an Aquarium or equivalent 'people attractor' (or give the identified plot back to the city) and to ensure that 100 homes were complete before the later phases of offices could commence. A new 'hybrid' planning permission was agreed by the planning committee in July 1992, granting outline permission for the key principles of the new masterplan with its associated schedule of uses, at the same time approving the detailed scheme for the Water's Edge.

Meanwhile, the UK property market was facing its biggest crisis for 75 years. Rosehaugh was facing problems. Its survival strategy involved placing its flagship Broadgate in a separate company and selling other assets. However, Brindleyplace, with its deadline dates and expensive commitments was not an attractive proposition, and when, in November 1992, Barclays Bank, reacting to criticism of its exposure to property at its AGM, unexpectedly foreclosed loans, putting Rosehaugh into receivership, it was still on their books.

Councillor Fred Chapman, then Chair of Planning, and Dick Knowles, the Leader of the Council, approved the signing of the revised development agreement that would define how the site was to be developed on the evening of the day Rosehaugh went into receivership. From the city's point of view, this meant that Brindleyplace PLC had an up to date masterplan with early phase one delivery obligations and some chance of finding a new owner that might honour these. From the receiver's perspective, it meant that they had an asset to sell: if Brindleyplace PLC was declared bankrupt, the land would revert to the city council. So they took the decision to sell the company and its obligations as a going concern, paid £500,000 to pay the outstanding bill for the new masterplan, and to keep the company afloat in the meantime, and kept Chatham employed as its executive.

In the negotiations which followed, the City took a robust line. It insisted that whoever took over the company must complete the Water's Edge development within the required 15 months and must honour other key requirements to progress the scheme. The receiver hired local property agent Grimleys to find developers who could complete the project. Seven expressed interest. All explored the scope to renegotiate the scheme or its delivery timing, but only one, Argent PLC, was

prepared to meet the deadlines. In June 1993, eight months after the start of the receivership, the receiver sold Brindleyplace PLC to Argent, for £3.6m.

*Argent Develops the Site: 'London Quality Buildings in a Provincial Setting'*

Argent was the creation of the brothers Peter and Michael Freeman, whose father headed the city of London law firm D J Freeman. They graduated from Oxford University and qualified as solicitors, but decided in 1981 not to stay in the family firm. Their father gave them a small capital sum, which they used to create Argent. By 1992, they had made a number of small investments, many of them refurbishments, most in London. Peter Freeman visited Birmingham with Roger Madelin, their Chief Executive, and recognized the potential of the site. But the property market was in free fall and no bank would lend money for investment in property. However, with the support of the financier Warburg Pinkus, who had been involved with them since 1991, Argent was able to find the £3.6m—and to commit to taking on the immediate development obligations of around £7m. There was some security: three tenants had provisionally agreed terms to lease property in the Water's Edge and agreed to continue with the new owners.

From Argent's point of view, it was an opportunity that was unlikely to be repeated—8 hectares of prime land in an inner city location with long-term potential, for a fraction of the price it had commanded a few years previously, with an imaginative planning framework, outline planning permission, and the clear desire of the City planners to see it implemented. They retained Chatham as project director, so preserving continuity from the Rosehaugh scheme thinking and the relationship with the City planners, where Geoff Wright remained involved and equally committed to the project. Argent later commented that they had never encountered such good relationships with a local authority planning department.

Construction of the Water's Edge began in September 1993 (Figure 1)—it opened in December 1994 and immediately achieved the objective of opening up the canal side for boats, restaurants, and bars, and adding to eating out options for clients of the Convention Centre and Symphony Hall.

The masterplan was revised by John Chatwin, who had left Farrell and created his own firm, and approved by the Council in December 1993. It simplified some thinking—for example, car parking was no longer to be built under the main square. But the main change was to allow housing as a single-use element on what became known as the Triangle Site, by the arena, surrounded by canals on three sides. This land was sold to Berkeley Homes—later Crosby Homes (Midlands)—for around £3m. The result was Symphony Court, a gated development of 143 homes overlooking the canals, the first newly built private housing on a significant scale in inner city Birmingham since the Second World War. This, and the sale, not long after, of the Water's Edge to the British Airways Pension Fund, one of very few institutions in the UK at that time prepared to invest in commercial property, provided cash flow which Argent could use to fund the costs of the next phases.

Argent ran a limited competition for the design of the central square, which had to be created before the other buildings were constructed, won by the landscape architects Robert Townshend, with a 'cascading fountain' in one corner, designed



FIGURE 1. Brindleyplace site November 1993.

by Paul de Monchaux. The award winning kiosk in the centre of the square, by Piers Gough of CZWG, was added later.

The success of the Brindleyplace Square (Figure 2) in creating a strong identity and a commercial address was such that the masterplan was further revised to include a second square (Oozells Square) as a focus for the later phases of the development. Townshend and de Monchaux also developed the concept for this, relating the space to the former Oozells Street school, which became a new home for the Ikon contemporary art gallery. The Ikon's Director, Liz-Ann Macgregor, persuaded the Arts Lottery to provide support for the fit out, and the Arts Council and the City Council to provide revenue funding. Argent exceeded their obligations under the development agreement by restoring the building's external shell and rebuilding its tower.

The masterplan allowed buildings to be constructed individually as and when finance permitted. Roger Madelin (1999), brought in by Argent, has described how capital was recycled each time a building was completed, to enable the next to proceed. British Airways Pension Fund again played a key role by pre-purchasing No. 1 Brindleyplace. Other buildings were pre-let either before or during construction. Nine separate architectural practices—with architects who had track records of innovation and were prepared to work in new ways, initially all from outside Birmingham—were appointed to design the office buildings, working independently but to agreed ground rules and meeting regularly to



FIGURE 2. Brindleyplace Square.

coordinate and improve their designs.<sup>7</sup> Thus, Demetri Porphyrios was able to incorporate a clock tower in his pastiche Venetian Three Brindleyplace office building (Figure 3), which draws the public into the development from the Convention Centre, even though there was no mention of this in any earlier planning framework.

The contracts were fixed-price design-and-build contracts, in which the nine architects and two contractors worked together to solve problems, work out improvements, and minimize costs. Ove Arup, consulting engineers for the whole project, 'were involved with the conceptual attitudes to structures, energy efficiency and fire engineering' (Chatwin, 1999, p. 30). This was one of the first demonstrations in the UK of the benefits that can arise from partnering and open book contracts as later promoted by the 1998 Egan Task Force (Egan, 1998; Hole, 1999).<sup>8</sup> The architects working on each building were aware of what the others were undertaking, and this enabled the buildings to relate to each other while each retains the mark of its particular architect.<sup>9</sup>

This is how John Chatwin (1997) described the working relationships:

This rapid program has been achieved by a partnership between the city and developers. It has involved the input of many disciplines including nine separate firms of architects; the evolution of all these related



FIGURE 3. The Waters Edge and 3 Brindleyplace.

activities has been soundly based in urban design principles—not just the establishment of an initial plan, but as a continuing process. The essence of the physical and financial models has been a linked sequence of urban spaces (creating both tangible and economic activity as a continuation of the pedestrian spine of the city) and a set of development plots that enclose and define them. Neither of these elements became entrenched as a finite design; the masterplan was not conceived as grand architecture but as an enduring image for a piece of the city—providing both the framework for its evolution and a method for its implementation.

There has been no imposed style; no one architect is responsible for several buildings. A set of related buildings are linked by a strong family resemblance; a relationship created by function and location and not just by external characteristics. This con-sanguinity is generated as much by careful disposition of uses throughout the site—and by the quality of design of each element—as by traditional aspects of urbanity (alignment, heights, cornice lines, consistent details, etc.) which, although important, are secondary to the generation of pedestrian activity; Argent have been confident enough to ignore many of the shibboleths of investment valuation to achieve a rich mix of uses—which is now beginning to

develop a real economic strength. This is emphasized by the location of uses and entrances as well as the colonnades around the public spaces which link all enclosing buildings and provide the opportunity for each architect to reinterpret this traditional device so that buildings address the square and relate to neighbours.

By 1997, there was sufficient capital in the project for Argent to commission a multi-storey car park, a fitness centre, and a new building for the Crescent Theatre which had a tenancy on part of the site subsequently used for six Brindleyplace. The wide variety of restaurants and cafes, and the new housing, ensured that there was almost 24-hour activity.

All was not equally successful. The National Sea Life Centre, opened in 1996, was a perhaps surprising realization of the original 1989 concept of an aquarium as a major visitor attraction. When Wright and Chatham criticized an initial sketch idea, the development director of Sea Life Centres stormed out of a meeting (it transpired that the sketch was his own). He re-appeared a month later to say that he had appointed Norman Foster to design the building. Argent signed a lease that transferred the property. But this meant that when the quality of the materials was reduced to save money, they had no legal redress, nor did the planners have legal grounds to intervene.<sup>10</sup> The roof, which mimics the shape of a fish (a ray),<sup>11</sup> is inconspicuous from within the main square, so that it is hard for visitors to find the entrance, and is not visible at all when viewed from across the canals, where the building offers a monotonous grey frontage. Prestige architects do not guarantee successful buildings.

A proposed railway station on the line to Wolverhampton intended to serve the arena proved unattractive to privatized rail operator Railtrack. This, and plans to bring a tram up Broad Street to Five Ways are still to be implemented in the future. Brindleyplace is a brisk 12-minute walk from New Street Station, although this is now a pleasant experience through pedestrianized streets and new squares.

The Energy Centre of the Convention Centre might have supplied hot water to the whole site and been developed as a Combined Heat and Power scheme to provide electricity also; but the concept of a private energy supplier was a step too far for prospective tenants. Five Brindleyplace was designed for British Telecom as a 'low energy building' without air conditioning.<sup>12</sup> A number of the buildings were designed with atriums that could work as ventilation stacks, but the tenants have instead preferred air conditioning.

The outline planning approval left some flexibility over the precise locations of the buildings. Some occupants of Symphony Court, who had not been well advised by their solicitors when they purchased their properties, found to their surprise that their view and some of their light was to be taken by the multi-storey car park, and took the planning approval for this building to judicial review. This delayed building work for over a year—and drew Madelin to comment that with a mixed-use development one should not build housing until all the other buildings are finalized. The last building to be constructed, the 12 storey Eleven Brindleyplace, completed in 2010, and taller than the earlier buildings, was outside the original site and required separate planning approval (see Figure 4).<sup>13</sup>

Brindleyplace was a commercial success. The development was refinanced at the end of 1995, valued at more than £25m. Office blocks had been let to BT,



FIGURE 4. Brindleyplace 2009.

Lloyds TSB, and three blocks were occupied by the Royal Bank of Scotland. The Water's Edge was thriving. Two quality restaurants—Bank and Le Petit Blanc—were underpinned by trade from the offices and from concert and conference activity. The site worked as it had been planned.

Alan Chatham left the project in 1998. In recognition of his role, he was given shares in Argent PLC, which he sold to finance the purchase of the former Royal Mail sorting office, close to New Street Station. Once again he paid a tiny sum for potential that others had not seen, and, partnered by Mark Billingham (who when at Grimleys had identified Argent as a possible developer of Brindleyplace) transformed what was once the largest postal sorting office in Europe into the Mailbox, another highly innovative mixed-use development. Like Brindleyplace, this depended on a close, and constructive, working partnership with the planners in the city council. Meanwhile, Argent gradually sold its interests and was itself acquired by the British Telecom Pension Scheme in 1997. In 2010, and with the exception of the Water's Edge, two office buildings which had been sold earlier, and 11 Brindleyplace, the buildings, and the infrastructure were purchased by the American property company Hines Global REIT and Moorfield, a UK venture capital company, and the American property company Hines Global REIT.

## **Discussion**

Brindleyplace was the pioneering mixed-use development in the UK outside London. It established the commercial and civic benefits of welcoming pedestrians into office areas through visitor attractions and public art, of incorporating

housing, and of restaurants and shops on the ground floors of office buildings. It placed Birmingham at the forefront of mixed-use design in the UK.

The scheme's design still includes echoes of the American 'festival marketplace' concept, but it draws mostly on traditional European 'street and squares'. Few schemes in Europe are close comparators. Perhaps Aker Brygge, the former docks regeneration in Oslo is the nearest, although it relies more heavily on the work of one architect, Nils Torp.

The scheme was an integral part of Birmingham City Council's wider focus on attracting service activities to revitalize its city centre. It can be said to be one of the most successful elements of this wider strategy in terms of the quality of physical outcome and the generation of a significant return on public sector funding. However, many tenants proved to be relocations within Birmingham, so it exemplifies retention and expansion of employment rather than the significant inward investment originally hoped for.

From land assembly to completion, the development process took 25 years, much longer than originally anticipated and indicative of the realities of complex mixed-use development.

Brindleyplace was a partnership between a city council and a developer, both of whom wanted it to succeed. The project director, Alan Chatham, and the council planning officer, Geoff Wright, worked together and with the Chair of the Planning Committee, and this ensured that planning matters were dealt with expeditiously.

Argent employed aspirational architects, who shared their plans, but also worked with the engineers and contractors to resolve problems and paid them on a cost-plus open-book basis. These were pioneering examples of partnering in the UK.

Others come out of the story well—the council solicitor Stephen Sellers who inserted key dates and conditions into the agreements; the councillors who showed tenacity in holding the developers to the principles of these conditions, but also, when it mattered, flexibility, and courage; successive council Chief Executives who encouraged the project; and the Director of Planning Les Sparks. The siting of housing on a separated part of the land made it possible for new housing to be constructed in central Birmingham, and this provided cash that eased the next phases of the development.

It could have worked out differently. The city assembled the land cheaply and sold it at a high price—so high that only a continued property boom could have made a commercial return possible (however, the income made it possible for the city to build its National Indoor Arena). If the City Council had not signed the agreement with Brindleyplace PLC in 1992, the site might have been sold by the receiver of Rosehaugh to a developer who paid a higher price and developed it less imaginatively. Or there might have been a legal stalemate, with the land vacant for many years. The agreement ensured that it was sold, for a low price, to a developer with a commitment to quality and a willingness to innovate, and continuity was maintained. The low price, the introduction of canal side housing, and a planning framework which allowed buildings to be constructed when they were pre-let or when finance was available from other sources, enabled it to be delivered during a weak property market.

At one level, Brindleyplace is a story of market failure. Neither the high nor the low prices at which the land was sold reflected a predictable context for

development. The city council's strategy was to create value; similar thinking had earlier inspired its investment in the National Exhibition Centre, on what was then agricultural land near to Birmingham International Airport, and was to do the same with Eastside where land was acquired cheaply outside part of the 1960s ring road that was soon to be demolished. The council had the legal powers, the financial competence to assess the risks involved, and the courage to take them, but also to make the most of its legal position at times of crisis.

So a profound lesson of Brindleyplace is that a local authority, taking initiative, and working closely with the private sector can promote the transformation of an area—if the time is right, it has access to some capital (which it may expect to more than recover if things go well), has confidence, and is prepared to accept the risks involved.

Sadly, many local authorities of today are in a much weaker position to make development projects happen.<sup>14</sup> Their budgets are constrained, initiatives are harder to take, risk is regarded with fear of failure, and the kind of entrepreneurial chief and senior officers who made Brindleyplace happen are overburdened and would find it hard to give the necessary attention to a project of this scale. Brindleyplace is a rare example of a public authority setting the scene and the ground rules for 'place-making' market delivery of a civic scale and quality.

### **Conclusions and Recommendations**

This study brings out the special features that made Brindleyplace what it is: the enthusiasm of the city politicians for a particular kind of development (festival marketing), the property boom which led them to achieve a high value when they sold the land; the collapse in land values that made these proposals unfeasible; the sale, through a receivership, of the site for a much lower price, to a developer who was committed to quality of design; and the willingness of that developer to develop the site slowly, and to preserve public access and a high-quality public realm. If clauses in the development agreement had not required certain outcomes to be completed by definite dates, and the city council had not been willing to enforce those conditions, the outcome would look different.<sup>15</sup> At the same time, the council showed a willingness to compromise, accepting that its original concept of festival marketing would not be achieved and that some aspects of the development would proceed slowly. Last but not least, the outcome was a consequence of the maintenance of constructive working relationships, between developer and city planner, between masterplanner and building architects, and amongst the architects, engineers, building contractors, and quantity surveyors involved in the partnering processes used for the construction.

Conclusions can be drawn from this that are relevant to other developments. Brindleyplace demonstrates the value of a clear conception, supported by legal agreements, to underpin a development process, but also the need for a willingness to compromise at later stages to achieve the key aims. It illustrates the contribution of the public sector, as the creator of value through the assembly of land, with a vision many years in advance of the market. Also the potential contribution of a developer who understands that quality of design will ultimately contribute to the bottom line, and who is prepared to work with architects and planners to achieve

it. Above all this is a study that demonstrates the benefits that can arise when key individuals have relationships grounded in trust, and work together to achieve common objectives.

## Notes

1. The study does not make explicit use of the theories of urban regeneration in most current use today (see Davies & Imbroscio, 2009). Pluralist theories, such as urban regimes, theories of network governance, or new institutionalist approach to studies of partnerships would have added little to what is presented here. The most relevant theoretical model is contingency theory, which provided a structure for studies of local authorities at a time of reorganization, when it was apparent that without consideration of local circumstances, histories, or the personalities of chief executive officers or political leaders, it was often not possible to understand why one local authority differed from another (Greenwood et al., 1974, 1975). Readers may wish to compare this study with a study of Attwood Green, an innovative housing regeneration project in central Birmingham, which endeavours to draw a consensus between a variety of theories of urban governance (Jones & Evans, 2006).
2. The City Council had its eye on land in this vicinity before the First World War! (Haywood, 1918).
3. The Secretary of State had the power, under S.112 of the Town and Country Planning Act 1971, to create a Comprehensive Development Area under where the council would have the power to acquire the land by compulsory purchase. This would 'secure the treatment as a whole, by development, redevelopment or improvement, or partly by one and partly by another method, of the land or of any area in which the land is situated'. This was one of the last uses of this legislation, which was repealed shortly afterwards.
4. This legislation did not require the council to have detailed land use proposals for the site, as later legislation required, nor to produce an environmental assessment. The documentation focussed on the convention centre, outlined in a feasibility study in 1983, and did not even mention the possibility of an indoor arena.
5. The adjacent St. Peters conservation area was de-designated so that canalside houses and the Chapel of the Messiah, built over the Birmingham canal, could be demolished (Bartlam, 1996). The owners of a listed factory building in Cambridge Street successfully appealed against demolition. This factory was subsequently refurbished and extended by the Institute of Electrical Engineers as Austin Court, a successful conference centre in its own right. This and the other landowner objections delayed the Compulsory Purchase Order from 1984 to 1986. Another listed building, the Christian Science church on Broad Street, was excluded because its owners, the brewing company Bass, agreed to bring it into use as a bar or night club.
6. Other money came from the Sports Council, the European Regional Development Fund, and commercial borrowing, backed by a Council guarantee. Because there was no capital receipt, the City Council was not obliged to withhold any part of it for paying off debts.
7. Two of the leading Birmingham-based architectural partnerships, Glen Howells Associates and Associated Architects, designed two of the final buildings.
8. Traditional building practice in the UK involves an architect who works with a client to design a building, a quantity surveyor who works out the "quantities" of different kinds of work and materials needed to build it, and a contractor who tenders on the basis of those quantities. The contractor does not expect to talk to the architect unless it wins the contract. By contrast, in a partnered contract, architect, engineer, contractor, and quantity surveyor are identified at the start of the process, and work together to achieve the design and minimize costs, being paid on the basis of "open-book" contracts that set out the work actually undertaken. This approach was advocated and legitimated in the 1998 Egan Report and is now widespread in the UK, in both the public and private sectors. It removes large areas of risk from the contractors, and incentivizes them to find means of cutting costs through changes in the design, while removing perverse incentives to make large profits from variations in contracts and from second-guessing the quantities of materials in a schedule of rates prepared in advance of contract by a quantity surveyor.
9. Argent have maintained close working relationships with several of these architectural and design practices, who are playing key roles in their current flagship development at Kings Cross.
10. In subsequent buildings, Argent only signed leases after buildings were constructed as agreed.
11. The original intention was to copy the shape of the tail fin of a whale, which could have been spectacular.

12. At the time of writing, the City Council is developing the Energy Centre as a Combined Heat and Power scheme to supply a large area nearby, including council buildings and the new library. Argent meanwhile has made Combined Heat and Power a major feature of its development at Kings Cross in London.
13. This building, designed by the Birmingham-based architects Glen Howell Associates replaced a Hotel and Catering Training Academy behind the Novotel.
14. The Kings Cross development in London, on a site four times the size, has the benefit of London property values. Argent is the developer and many of the individuals who played key roles in Brindleyplace are involved.
15. These features all contain elements of uncertainty, in that they could not easily have been predicted in advance, and illustrate contingency theory that hypothesizes that there will be specific features and individuals, and reactions to unforeseen events, which make one development different from another.

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