



Monday 13 March 2017

Mr Ian MacLeod
Assistant Director Regeneration
Birmingham City Council
1 Lancaster Circus
Queensway
Birmingham
B4 7DJ

Dear Mr MacLeod,

Ref. Phoenix Business Park, Brickfield Road, Tyseley, Birmingham

As you are aware Euro Packaging is both a very successful company and a major employer within the Tyseley area. However due to the success of the company and the need to diversify into new business areas there is a pressing need to expand and options within our current footprint are limited due to the constraints of the existing site.

As a result we have approached the owners of our neighbouring site, Phoenix Business Park on Brickfield Road, to acquire their long leasehold interest in the site in order for our business to expand (the site is shown on the attached plan). The site is owned freehold by the City Council but is on a long leasehold of 125 years from 10th December 1998 to Jill Palfrey (although in practice the site is managed by Mr Philip O'Reilly). Discussions have been held with Mr O'Reilly over the course of the last year and this culminated in a formal offer of £800,000 for the leasehold interest in November 2016. Our understanding was that this offer had been received favourably and we forwarded Heads of Terms to Mr O'Reilly's solicitors, Loynton & Co Solicitors.

Regrettably matters now seem to have stalled and to date we have not had any formal response to our offer from Mr O'Reilly and his solicitors. I am therefore writing to the City Council to request that it uses its compulsory purchase powers to support the expansion of Euro Packaging and the new jobs that would be created in an area of the City which has high levels of unemployment. We are committed to bringing forward our proposals and they will result in significant benefits for the City and the local community, some of which I have highlighted below:

- The proposals will result in the expansion of an important local business and the creation of up to 300 new jobs (480 people are currently employed so it would increase our workforce to approximately 780).
- It is our intention to invest about £5m in building and £5m in new plant on the site together with additional working capital; we estimate that the total new investment will be between £14m and £15m.

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- An under-utilised site would be brought into more productive use. As you are aware the current uses on the site do not benefit from planning permission and have caused significant problems for neighbours in terms of the activities undertaken and the impact on the local environment and highway network.
- We are committed to progressing our proposals which would incorporate a new building on the site as well as the appropriate remediation of the site (which is a former brickworks / landfill site).
- Our proposals are consistent with both national and local planning policy, including the Birmingham Development Plan, and furthermore the site is identified as Core Employment Land.
- We are therefore committed to progressing a planning application for the site as soon as the acquisition is resolved or, if necessary, in support of the City Council's use of its compulsory powers. Given our proposals and the planning policy for the area we can see no reason why an application would not be successful.
- Our proposals could not be achieved by other means given the constrained nature of our adjacent site. The only other option would be to consider relocation of the business outside of the city which is a measure that we do not want to contemplate (although ultimately we may be forced to do so).

In summary therefore I hope that the City Council can support our request to use its compulsory purchase powers to facilitate the expansion of our business. Our proposals would bring about the clear improvement and redevelopment of the site and as set out above would bring direct economic, social and environmental benefits for the area and the community.

I look forward to your response and am happy to meet your officers to discuss how to progress matters and the necessary commitments and resources that you will need from Euro Packaging.

Yours sincerely



Afzal Majid
Shareholder