Manchester City Council Report for Resolution

Report to: Executive – 14 March 2012

Subject: London Road Fire Station

Report of: Chief Executive and City Solicitor

Summary

This report seeks to update the Executive on the redevelopment of the London Road Fire Station.

Recommendations

The Executive agrees to:

- 1. Record its profound disappointment in the Fire Station owner's failure to honour the spirit of the commitment given on 9th June 2011 in the CPO public inquiry to implement the planning permission and listed building consent as soon as reasonably possible.
- 2. Urge the owner of the Fire Station to review its strategy for redevelopment of the building without delay and to respond positively to the invitation to work constructively with the City Council and English Heritage to ensure implementation of the planning and listed building consent as soon as possible as this is the key to preserving the heritage value of the building and to maintaining regeneration momentum in this part of the City Centre.
- 3. Urge the owner of the Fire Station to act in the best interests of the well being of Manchester which demand that if it has not the capacity to implement the current consents, the owner takes urgent steps to dispose of the building to a new owner which has the willingness and capacity to redevelop the Fire Station in line with the current consents in the shortest possible time.
- 4. Confirm that the Council remains willing to enter into immediate discussions to acquire the building for market value to enable the crucial objective of preserving the building and maintaining regeneration momentum to be achieved. The Council would then facilitate the development of the building in the shortest possible time.
- 5. Request that the Chief Executive communicates the above resolutions to the owner and brings a report to the next meeting of the Executive, which if necessary explores all the available options to achieve the Council's regeneration objectives.

Wards Affected:

All wards with particular implications for City Centre

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	Redevelopment of the Fire Station will result in an improved hotel offer and support the growth of the tourist economy.
Reaching full potential in education and employment	Redevelopment of the Fire Station will generate new employment opportunities
Individual and collective self esteem – mutual respect	Redevelopment of the Fire Station in this key location will improve visitor and resident impressions of the city
Neighbourhoods of Choice	Redevelopment of the Fire Station will improve the Whitworth Street Conservation Area as a place to live, work and visit.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue and Capital

There are no revenue or capital consequences as a result of this report

Contact Officers:

Name: Sir Howard Bernstein Name: Helen Jones

Position: Chief Executive Position: Head of Corporate Property and

Strategic Development

Telephone: 234 3006 Telephone: 234 3701

Name: Celia Tierney

Position: Group Head, Physical Infrastructure Team,

City Solicitor's Division Telephone 234 3094

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Name: Dave Roscoe Name: Pat Bartoli

Position: City Centre Planning Position: City Centre Regeneration

Telephone: 234 3457 Telephone: 234 3329

Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Inspector's Report dated 28th November 2011
- Letter from Alex Langsam dated 9th June 2011
- Timetable for redevelopment of the Fire Station by Britannia Appendix 2
 Statement of Micheal Owen Paul of McBains Cooper dated 21st March 2011
- Report to Executive 15th February 2006 London Road Fire Station
- Report to Executive 26th July 2006 London Road Fire Station
- Report to Executive 22nd November 2006 London Road Fire Station
- Report to Executive 27th May 2009 London Road Fire Station
- Report to Executive 16th December 2009 Proposed City of Manchester (Former London Road Fire Station) CPO 2010
- Report to and decision of Chief Executive dated 28th and 29th July 2010
- Report to Planning and Highways Committee 16th September 2010
- Report to Executive Report 13th July 2011
- Report to Executive 30th January 2012 and Resource Governance Overview and Scrutiny Committee of 9th February 2012
- Resolution of Resource Governance Overview and Scrutiny Committee 9th February 2012

1. Introduction and summary of recent developments

- 1.1 The Chief Executive reported to the Executive on 30th January 2012 the outcome of the public inquiry into the Council's CPO of London Road Fire Station.
- 1.2 The Council's case for confirmation of the Order included the following:
 - 1.2.1 the Council was not satisfied that the owner would implement the current planning and listed building consent promptly or at all.
 - 1.2.2 redevelopment of the building in accordance with the current consents would bring about regeneration by creating employment in the building and improving its appearance, would safeguard the long term future of the building and would maintain the momentum of the regeneration of the Piccadilly area of the City Centre; and
 - 1.2.3 if the owner would enter a contractual commitment to redevelop the building, there would be no need to deprive him of ownership.
- 1.3. The Inspector concluded that "redevelopment of the London Road Fire Station with the regeneration benefits would be more likely to come forward under Britannia's auspices than the Council's".
- 1.4 The report to Executive on 30th January 2012 noted a letter from Alex Langsam (owner of Britannia Hotels) to the Inspector which guaranteed that he would personally fund the implementation of the planning permission and listed building consent which are currently in place permitting a sensitive conversion of the building into a 4* or equivalent hotel.
- 1.5 On 19th December 2011 the Chief Executive wrote to Mr Langsam confirming the Council's commitment to constructive working with Britannia to deliver redevelopment of the Fire Station and suggesting a meeting to take matters forward. On 4th January 2012 Britannia Hotels replied to say that Mr Langsam was on holiday. No further contact with the Council has been made by Britannia despite letters from the Planning Service on 16th January 2012 and the Head of Corporate Property on 10th February 2012, inviting joint working to take matters forward.
- 1.6 On 17th February, English Heritage received a letter from Britannia Hotels which is attached at Appendix A. The letter dated 8th February, seeks to open a discussion about a proposal for a 15 storey glass extension to the Fire Station rising from the triangular courtyard of the building that they had proposed some years earlier. Further it states that delivery of the current planning permission and listed building consent is not "sustainable either in the current climate or in the foreseeable future".
- 1.7 English Heritage have replied that the alternative proposal remains unacceptable and has urged the owner to honour the commitment which was made to the Inquiry. A copy of the reply is attached as Appendix B.

- 1.8 The Chief Executive would make the following points:
 - The recent developments reinforce the reasons why the Council has had little or no confidence that Britannia Hotels have a genuine intention to implement the current consents
 - That the commitment given to the public inquiry fell short of what is required in the best interests of Manchester and should have been contractually binding
 - The letter at Appendix A underlines the inconsistency between evidence adduced at the Inquiry by Britannia and their current position. The Council argued that the current consents were only sought because Britannia wanted to avoid a CPO. Britannia had indicated at the Inquiry that the applications were made willingly. The letter at Appendix A confirms that Britannia felt "forced" to submit the applications.

2.0 Costs of the Inquiry

- 2.1 Britannia Hotels have applied to the Secretary of State for an order that the Council should pay their full costs of the CPO inquiry. On 13th January 2012 the City Solicitor wrote to request that no such order should be made given the exceptional circumstances of the case.
- 2.2 On 27th January 2012 Britannia Hotels replied to the Council's representation on costs in a letter which asserts that the Council caused uncertainty in the delivery of the current planning and listed building consent by making the CPO. Britannia asserted that it objected to the CPO because "As landowner, Britannia should be allowed to proceed with its redevelopment which to date had been frustrated by the uncertainty generated by the CPO"
- 2.3 The Chief Executive has informed the Secretary of State of Britannia's approach to English Heritage and asked that it be taken into account in the decision as to whether the Council should pay costs.

3.0 Next steps

3.1 It is disappointing that notwithstanding the rejection of the Council's case for a CPO it has taken only a few weeks for Britannia to assert that the scheme which Alex Langsam intended to fund in June 2011 is now "unsustainable". The regeneration priorities of the City demand however that every effort continues to be made to persuade Britannia to honour the commitment made at the Inquiry, execute with all speed the consents which have been granted and to work constructively with officers and English Heritage to ensure this requirement is met. Britannia should be encouraged to review its position without delay and if this proves not to be possible, they should be encouraged to recognise that the interests of Manchester demand that the building is sold to new owners which have the necessary commitment and capacity to implement the granted consents in the shortest possible time. The Council should also re-affirm its commitment to enter immediate discussions to acquire the building at market value. An independent surveyor could be appointed to determine value if terms cannot be agreed. The Council would ensure that

redevelopment and the long term protection of this important heritage asset can be achieved.

- 3.2 The Chief Executive and City Solicitor will report back to the Executive at its next meeting with the response if any from Britannia and the options available to the Council to deliver its objectives.
- 3.3 Detailed recommendations appear at the front of this report.

4.0 Contributing to the Community Strategy

(a) Performance of the economy of the region and sub region

Redevelopment of the Fire Station will result in an improved hotel offer and support the growth of the tourist economy.

(b) Reaching full potential in education and employment

Redevelopment of the Fire Station will generate new employment opportunities

(c) Individual and collective self esteem – mutual respect

Redevelopment of the Fire Station in this key location will improve visitor and resident impressions of the city

(d) Neighbourhoods of Choice

Redevelopment of the Fire Station will improve the Whitworth Street Conservation Area as a place to live, work and visit.

5.0 Key Policies and Considerations

(a) Equal Opportunities

Not applicable

(b) Risk Management

Progress of redevelopment by the owner of the Fire Station will be monitored and the Council will work to ensure a positive outcome and reduce the risk of further neglect and decay.

(c) Legal Considerations

Not applicable

Appendices:

Appendix A - Letter of 8th February 2012 from Britannia Hotels to English Heritage Appendix B - Letter of 22nd February 2012 from English Heritage to Britannia Hotels



Britannia Hotels

Halecroft, 253 Hale Road, Hale, Cheshire, WA15 8RE. Tel: 0161 904 8686 Fax: 0161 904 5331

8th February 2012

English Heritage Canada House 3 Chepstow Street Manchester M1 5FW

FAO Henry Owen-John - Regional Planning Director (North West)

Dear Sir.

Re: London Road Fire Station, Manchester

As you will be aware, English Heritage were consulted extensively during the Planning and Listed Building process for the redevelopment proposals of the Grade II* Listed London Road Police and Fire Station, Manchester.

Earlier in the process we had discussions with Julian Holder, regarding development options, who stated that English Heritage (EH) would be willing to consider an intervention into the courtyard which rose above the existing roofline (see attached copy letter from our Conservation Architects, Purcell Miller Tritton (PMT)).

A scheme drawn up by PMT was presented to EH and Manchester City Council (MCC). We were told that the scheme had to be justified financially as enabling development, so we asked Deloitte to carry out a financial appraisal and this was submitted in support of the proposals.

However, because of the pressure of a threatened CPO by MCC, we were forced to withdraw those proposals and concentrated on a scheme of minimal intervention. Despite doing this, MCC went ahead with the CPO after we had submitted our Planning and Listed Building Consent applications.

Planning Permission and Listed Building Consent for the conversion to a Hotel and ancillary facilities was obtained and Britannia subsequently successfully fought off the CPO brought forward by MCC at Public Inquiry.

BRITANNIA HOTEL
Abadeen - 0871 222 0073
BRITANNIA HOTEL,
Newcasile - 0871 222 0028
GRAND HOTEL,
Scarborough - 0871 222 0047
NORBRECK CASTLE HOTEL
Blackpool - 0871 222 0041
HE SAYOY HOTEL
Blackpool - 0871 222 0041
METROPOLE HOTEL
Blackpool - 0871 222 0043
METROPOLE HOTEL
Blackpool - 0871 222 0043

LEEDS BRADFORD AIRPORT Leeds - 0871 222 0027 BRITANNIA HOTEL Bolton - 0871 222 0024 BRITANNIA HOTEL Wigan - 0871 222 0026 BRITANNIA HOTEL Mauchester - 0871 222 0017 SACHAS HOTEL Maischester - 0871 222 0018 BRITANNIA ASHLEY HOTEL Halla- 1871 222 0018

BRITANNIA AIRPORT HOTEL South Manchester - 0871 222 0019 COUNTRY HOUSE HOTEL South Manchester - 0871 222 0016 BRITANNIA HOTEL Stockpuri - 0871 222 0014 PRINCE OF WALES HOTEL Southport - 0871 222 0039 BRITANNIA ADELPHI HOTEL Liverpool - 1971 222 0039 GRAND HOTEL Listandadoo - 0871 222 0046

NORTH STAFFORD HOTEL Stoke on Treat - 0871 222 0097 BILITANNIA HOTEL Mattingham - 0871 222 0093 BRITANNIA HOTEL Bimingham - 0871 222 0093 BRITANNIA HOTEL Coventy - 0871 222 0093 COVENTRY HILL HOTEL Coventy - 0871 222 0094 ROVAL COURT HOTEL Coventy - 0871 222 0096 RRITANNIA HOTEL
Wolverhompion - 0871 222 0891
BIGSWORTH HALL HOTEL
Mathet Bosworth - 0871 222 0089
INTERNATIONAL HOTEL
London E14 - 0871 222 0042
BRITANNIA HAMPSTEAD
BUROPA GATWICK HOTEL
West Sussec - 0871 222 0043
ROYAL ALBION HOTEL
Brighton - 0871 222 0038

ROUNDHOUSE HOTEL Bonmemouth - 0871 222 0037 BRITANNIA HOTEL Bonnemouth - 0871 223 0036 GRAND BURSTIN HOTEL Folkestone - 0871 222 0048 BRITANNIA ILEATHLANDS BOUMERIOUTH - 01202 553336 In his summation within his Report to the Secretary of State, the Planning Inspector stated that it was "difficult to understand why, if they [Britannia] felt the financial case had been made out in the Deloitte Report: Project Silver, the tower scheme was never tested through applications for planning permission and listed building consent.". We would therefore like to discuss our scheme option more thoroughly with your organisation, so that you may fully understand the scheme and its implications for this Grade II* building.

Although we felt we worked constructively with Nick Grimshaw on the proposals previously; due to the circumstances of Mr. Grimshaw acting as Expert Witness against Britannia Hotels in the recent CPO Public Inquiry, we feel that the discussions should involve someone at EH who was not involved in the CPO.

We would not want English Heritage to feel compromised in dealing with us.

We understand from previous discussions that EH's stance was that it could get to the point where EH would prefer to mothball the site, rather than approve something that you would see as detrimental, however, this is not currently an option for Britannia.

Developing the scheme as it stands, would not be sustainable either in the current climate or the foreseeable future, so we need to get feedback, on an architectural basis, on the previous scheme option.

We can foresee problems dealing with the LPA with any scheme brought to site, but we seek, and would appreciate, your assistance in at least reaching that stage.

Should you have any queries, please do not hesitate to contact this office.

Yours faithfully,

Robert Ferrari

Financial Director

CC Chris Smith (National Planning Director)

architects, designers and historic buildings consultants

013-231595-LTR-000019

Mr Nick Grimshaw English Heritage Canada House 3 Chepstow Street Manchester M1 5FW

Century Buildings 31 North John Street Liverpool 12 6RG T. +44(0)151 239 1608 F. +44(0)151 239 1601 www.pmt.co.uk

22 July 2009

Dear Mr Grimshaw

London Road Fire & Police Station

Thank you for your time on Friday for our presentation.

During our previous meeting with Julian Holder, we discussed the extraordinary costs associated with the conversion of a Grade II listed building. Julian Holder said that he would be happy to see us fund the enhanced costs of the conversion by the exploration of a new build which was not to look like the extension of a listed building but would stand alone in quality as a balance between traditional architecture and an attractive example of quality new build. In the discussion, he was supportive of bringing the new build above the height of the fire station.

This allowed us to look at the development from a new and exciting way.

This landmark building has been somewhat swamped by high-rise developments, so the manner in which we approached it was to put the scheme on a grander footing than the new build around the area - bearing in mind that when the original fire station was built, the building stood out both in height and scale from the surrounding low-rise structures. Julian Holder effectively pointed us in the direction of re-establishing the importance of the building and regaining the eminence it once had. A low-rise intervention would merely be an insignificant, lean-to and we feel that the fire station deserves better than that.

We have spent time and considerable energy in putting together something that follows on from our discussions in October with Julian Holder and our proposals are intended to create an/architectural icon for Manchester and the North West.

Principals Andrew Clark Brian Anderson Christopher Cetton David Bissonnet David Pendery Ian Alderton James Coath James Montoo James Sanderson Jeremy Blake John Burton Mark Goldspink Mark Hammond Michael Nordson Mail Phillips Rigel Sunter Richard Ellis Richard Puto:

Associates Alasdair Travers Beulah Dutton Dante Vanoli David Sherrill Denis Buller Gary Dalton Gary Sparrow Jane Roylance Joanne Herry John Rutherford Jonathan Goteleo Kate Bultitudo Kellay Christ Martin Dunscath Nigel Young Paul Prentice Peter Gooderham Alchard George Robert Chambers Ruth Brennan Simon Harks Stephen Elliott Suzi Armstrong

James Sanderson

sińcerel

Yours

for Purcell Miller Tritton LLP

Cor Dave Roscoe

Manchester City Council



NORTH WEST

Mr Robert Ferrari Direct Dial: 0161 242 1407

Financial Director Britannia Hotels Halecroft 253 Hale Road

Hale Cheshire WA15 8RE 22 February 2012

Dear Mr Ferrari

London Road Fire Station, Manchester

Thank you for your letter of 8 February 2012, which I received on 17 February.

I am surprised and disappointed by the suggestion that you wish to revert to discussions about a scheme for the reuse of the Fire Station that was superseded by the proposals for which you have listed building consent and planning permission.

Since the pre application discussions to which you refer took place, you have produced a conservation management plan for the property. It was on this basis that, with our advice and support, you developed a scheme which involves minimum intervention with historic fabric. In our evidence to the CPO inquiry we made it clear why we felt this was the best approach to take, and why the incorporation of a taller, new build element within the courtyard would harm the historic and architectural significance of the Fire Station. With the greater understanding of the historic and architectural significance of the building gained since 2009, it is clear that minimum intervention with the historic fabric is the appropriate way forward and not the type of scheme that was discussed in a very preliminary way three years ago and which raises serious concerns.

There was a very clear commitment given by Britannia Hotels to the CPO inquiry that you would take forward the consented scheme. In particular Mr Alexander Langsam wrote to the Inspector on 9 June 2011 and said "I can guarantee to the Inspector and the Secretary of State that I will fund BCL to ensure that, in the event that the CPO is not confirmed, the planning permission and listed building consent granted in respect of the London Road Fire Station are implemented as soon as reasonably possible." This statement was taken into account by the Inspector and the Secretary of State in reaching the decision not to confirm the CPO.

I believe it is important that such a clear and influential commitment should be honoured and I would therefore ask you to implement the consents you have in line with Mr Langsam's guarantee. Should this not be possible, English Heritage will need to advise Manchester City Council of our very serious concern over a situation in which the Fire Station remains at risk, and where the type of scheme you now wish to propose is likely to cause a substantial level of harm to its historic and architectural significance.

I am sorry to write in such blunt terms, but I am sure you will understand English Heritage's intense frustration that, having worked with you constructively to assist in the development of the consented scheme, we now find that you may not be able to deliver it, despite your guarantee to the Inspector and the Secretary of State.

Yours sincerely

Henry Owen-John

Planning Director, North West

Henry Owen Go!

cc: Sir Howard Bernstein, Manchester City Council

