

**Manchester City Council
Report for Resolution**

Report To: The Executive
Date: 27 May 2009
Subject: London Road Fire Station
Report of: The Chief Executive

Summary

To update the Executive on the current position in relation to the future use of the London Road Fire Station; to seek authority to enter into negotiations in an attempt to agree terms to secure the acquisition of the building through a voluntary arrangement, subject to agreement on the value and other matters; and, in parallel, to consider further engaging with the North West Regional Development Agency (NWRDA) with a view to securing their support in evaluating the options for the acquisition (whether voluntarily or otherwise) of the site.

Recommendations

The Executive is recommended to:

1. Endorse the priority, which the Piccadilly Partnership has given to the importance of securing the re-use and refurbishment of the Fire Station building to the future economic success of the Piccadilly area and the city centre;
2. Authorise the Chief Executive to approach the current owner of the Fire Station to enter into negotiations to agree terms to secure the purchase of the building on a voluntary basis subject to agreement on the value and other matters;
3. To request officers to further confirm to the NWRDA, the strategic importance of this site to the regeneration of the Piccadilly, The Corridor and Mayfield areas and to further request that they consider supporting the evaluation of options for the acquisition (whether voluntarily or otherwise) of the site;
4. To request a further report from the Chief Executive in July 2009 on the outcome of these discussions, and seeking formal authority to proceed with a specific course of action to ensure that the former Fire Station is brought back into high quality, active use as soon as is practical.

Wards Affected: City Centre

Community Strategy Spine	Summary of the contribution to the strategy
Performance of the economy of the region and sub region	The redevelopment of the Fire Station will bring back into active use a currently blighted site within the Piccadilly and Corridor strategic regeneration areas. It will also have a significant visual impact on the development of the former Mayfield goods yard area, which has been identified as the site for the relocation of a number of Government Departments.
Reaching full potential in education and employment	The redevelopment of this site has the potential to support the creation of a number of new jobs as well as helping to facilitate the full regeneration of the Piccadilly area.
Individual and collective self esteem – mutual respect	
Neighbourhoods of Choice	

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

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

The revenue costs of implementing the recommendations can be met from existing budgets.

Financial Consequences – Capital

If it proved to be necessary to acquire the site it is proposed that this would be funded from the Capital Fund. Should the Executive, at a future meeting, identify this course of action as necessary, Council approval to an increase in the capital programme would be required. However, at this stage, approval is sought only to allow officers to explore options for bringing the site back into use as soon as practical which does not have any capital financial consequences. If voluntary acquisition were to be pursued, this would be funded from the capital Fund.

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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.

Report to the Executive - July 2006
Report to the Executive - February 2006

1. Introduction

- 1.1 The regeneration of Piccadilly has been one of the Council's highest priorities over the last decade, and it is now firmly established as a destination of choice for business, living and pleasure. We have achieved our original objectives at Piccadilly through a number of major regeneration projects at Piccadilly Gardens, Piccadilly Station and Piccadilly Basin. We have also secured the redevelopment of Piccadilly Triangle, seen the creation of New York Street and other high quality schemes which, along with the provision of high quality public realm, have transformed the gateway entry sequence into the city centre. Progress is also likely over the configuration of the Manchester Hub, which will enhance rail capacity to meet our expected economic growth potential.
- 1.2 It is apparent from investment decisions that have taken place around the Station recently that the impact of the regeneration of Piccadilly is expanding, particularly to the south of the Station, which also falls within the development framework area that is the focus of the work of the Corridor, Manchester partnership. The potential for significant growth here is supported by the considerable importance that The Corridor places on the area in terms of the successful delivery of their objectives. The recent announcement that Government is examining the feasibility of creating a new civil service campus at Mayfield alongside Piccadilly Station, which would bring together more than 5,000 civil servants in a campus of 750,000 ft sq further reinforces the strategic importance of the area and the need to ensure that the former Fire Station is dealt with in a way that is complementary to our and our partner's aspirations for the overall area.
- 1.3 Consideration has to be given as to how we can facilitate and nurture this growth most effectively, and explore how we harness the immense potential that exists around the station to further the economic growth of the City.

2. The Fire Station

- 2.1 The former Fire Station occupies a prominent location directly opposite the Fairfield Street entrance to Piccadilly Station and is an important and distinctive local landmark. The current owner has now owned it for almost 25 years and it has remained largely vacant for all of that time. While this situation has been unacceptable for many years, it now seems likely that the condition of the building will undermine the ambition to complete the proper regeneration of the area and will, therefore, inhibit its growth potential. The site directly faces the Mayfield area, and clearly offers significant development potential that would complement the location of such an extensive campus.
- 2.2 The changes to the way in which Piccadilly Station operates means that the first image many people have on arrival to the City is that of a run-down and vacant building. Its size and bulk are such that it can be seen from and its impact is, therefore, significant over a extensive area. The Piccadilly Partnership has identified the former Fire Station as the single largest element of blight in the area and the largest single impediment to the ongoing regeneration of the area.

- 2.3 Given the strategic position of the Fire Station at the heart of Piccadilly, coupled with its architectural and historical significance, the Piccadilly Partnership believe it is crucial that a new, high quality use for the building is found without delay.
- 2.4 The Executive received a report in February 2006 detailing a proposed development scheme for the Fire Station building developed by the Piccadilly Partnership. Authority was delegated to the Chief Executive to work with the Partnership and the building owner to secure the comprehensive redevelopment of this building. A subsequent report in June 2006 set out a series of development principles for the site (attached at Appendix 1).

3. Progress Update

- 3.1 Officers have been in dialogue with the building owner and their advisors over the past two years regarding the translation of the agreed principles into a fully worked up scheme; ensuring that necessary repairs were carried out; and that the building is maintained in a suitable condition until the development scheme comes to fruition.
- 3.2 As a result of these discussions, it appears that the building is now fully wind and water tight, and is fully dried out internally. Regular inspections are undertaken by Council officers to ensure that the building remains properly protected. In this respect the dialogue between the Council and the building owners has been very productive.
- 3.3 However, the discussions about developing a fully worked up proposal for the hotel scheme have been less fruitful. Although during that period, the owner has retained a number of high quality planning consultants, Heritage consultants and architects who specialise in dealing with listed buildings, significant progress has still to be made. No applications for either Planning Permission or Listed Building Consent have been submitted to the Council.
- 3.4 Officers have worked hard to establish a constructive working relationship with the owner during this period but despite offering full support to bring forward planning and listed building applications, a scheme has yet to be fully developed. Officers now believe that it is unlikely that the present owner will bring an acceptable scheme forward in the foreseeable future. The current economic downturn underlines the need to ensure that the Fire Station is promoted for development, and there are certainly opportunities for hotel developments in the city centre. Further delay would, therefore, be detrimental to securing the long-term viability of the building.
- 3.5 The inactivity of the current owner over the past six months has been very disappointing and the Chief Executive believes that it is now necessary for the Council to examine options to bring the building into public ownership, to secure its redevelopment. This could be achieved by first entering into negotiations to agree terms to secure the purchase of the building on a voluntary basis, and, if this fails to achieve the re-use of the building within a reasonable time, by examining opportunities around compulsory purchase.

- 3.6 Officers, therefore, seek authority from the Executive to enter into discussions with the owner to assess whether the building can be acquired on a voluntary basis. Whilst this would be the preferred course of action, there is no guarantee that this would be successful, and in parallel we will examine the most effective and efficient means of securing ownership through compulsory acquisition.
- 3.7 The NWRDA have been supportive about our aspirations and objectives for the Fire Station. However, there is a need to engage the NWRDA further on the relationship between the Fire Station and the wider Corridor and to support the evaluation of options for the acquisition (whether voluntarily or otherwise) of the site.
- 3.8 There are a number of options that are potentially available including:
- The City Council has the power under sections 226 and 227 of the Town and Country Planning Act 1990 to acquire land on a number of grounds including where it thinks it will facilitate the carrying out of development, re-development or improvement of land which is likely to promote the economic, social or environmental well being of the area.
 - The NWRDA has the power under section 20 of the Regional Development Agencies Act 1998 to compulsorily acquire land needed to secure its objectives which include to promote economic development and the regeneration of its area, promotion of employment in its area and to contribute to the achievement of sustainable development in the UK.
- 3.9 These and other options will need to be explored by the Council, the NWRDA and their respective legal teams in order to identify how best to proceed to acquire the site whether on a voluntary basis or through a compulsory purchase procedure should it become necessary to consider this step.

4. Conclusion

- 4.1 We believe that the present owner has been given significant opportunity to progress an acceptable proposal for the Fire Station and that he has been offered the full support of the Council in this respect. The building reflects poorly on the Piccadilly area and the city centre in general.
- 4.2 The strength of the Piccadilly brand has been reinforced by the importance that is attached to the area by The Corridor and the recent Government announcement regarding Mayfield. The proposal to develop Mayfield for a civil service campus is a major opportunity for the City to continue to attract new investment into the City and promote it as a destination of choice for investors, visitors and new residents. Therefore it is important that we quickly identify and overcome obstacles to the continued regeneration of the area. The Council and its partners believe that the Fire Station is the single, largest element of blight in the area and that urgent action continues to be necessary

to vouchsafe its future, and the building's contribution to the regeneration of the wider area.

- 4.3 While options for the public ownership of the building are to be addressed, it is of course always open for the building owners to bring forward detailed planning proposals for a suitable scheme, which would need to be in accordance with the agreed development principles for the site. If this should be the case, this would of course be welcomed and fully supported.

5. Key Polices and Considerations

(a) Equal Opportunities

None

(b) Risk Management

The Chief Executive will work closely with the Head of Corporate property in the negotiations with the building owner to ensure the valuation and other issues are identified and addressed appropriately. In evaluating options to return the building to active use it will be necessary to identify and evaluate the risks associated with each option as part of the process.

(c) Legal Considerations

At this stage a number of options are being considered and the report highlights the need for the City Council's legal advisers to work closely with colleagues from both within the City Council and from other partner organisations including the NWRDA to help identify options to proceed. If the City Council were to acquire the site, consideration would need to be given as to how a suitable development partner might be identified. Further consideration would also be required as to options for compulsory acquisition, if this were considered necessary.

Appendix 1

FORMER LONDON ROAD FIRE STATION DEVELOPMENT PRINCIPLES

1. Introduction

- 1.1 The purpose of this note is to set out the key objectives for the refurbishment and reuse of London Road Fire Station in order to ensure that it maximises the contribution that it makes to the regeneration of the Piccadilly area.

1. Background

- 2.1 The regeneration of the City Centre is a key component of the City councils economic strategy for Manchester. It represents a huge opportunity for job and wealth creation and the City Council has developed a series of initiatives to ensure that this is achieved in a planned and co-ordinated manner.
- 2.2 The Piccadilly regeneration initiative was created in 1997 and since then the area has undergone a quite remarkable transformation involving significant levels of investment from the public and private sector. The Piccadilly Partnership was formed in 2003 as a strategic alliance between the City Council, the private sector and other agencies to underpin and further promote the economic vibrancy of the area. The key factor, which has underpinned the transformation of the area, has been the commitment to quality by all of the partners. This has embraced all aspects of change including public realm, new public spaces, architecture and usage. It has been the ability to achieve high quality end users that has been fundamental to making the step change to create a destination of choice. It is perhaps this above all else which continues to drive the renaissance of the area.
- 2.3 One of the priorities of the Partnership since its inception has been the identification of sites in the area where a lack of activity is inhibiting development and thereby preventing the area from achieving full economic benefit. The Partnership has identified the sustainable regeneration of the Fire Station as being critical to the on-going regeneration of the area.
- 2.4 A number of other proposals have emerged over the past twelve months in and around the fire station area, which will have an impact on and help to guide its future use. Telecommunications House on London Road has been acquired by McDonalds Hotel and is being converted into a 250 bed, four-star hotel together with 100,000 sq feet of office accommodation. Planning permission has been granted for an 80-bed Sleeperz hotel on Fairfield Street opposite the entrance to Piccadilly Station. The merger of Manchester University and UMIST has rationalised the manner in which their estate will be managed and the consolidation of Manchester Metropolitan University onto the All Saints campus will see them withdraw from Aytoun Street within five years.
- 2.5 The outcome of these changes is that even greater emphasis must now be placed on the early refurbishment and reuse of the fire station building. It has for many years been a prominent building at the main entrance to Piccadilly

station, but it now has a pivotal role in the regeneration of a much wider area. It can now be seen to be at the very heart of a number of initiatives and will play a key role in terms of ensuring that these initiatives are linked and integrated to ensure that maximum benefit is captured.

2. The Fire Station

- 3.1 The building was constructed in 1906. It is listed grade II* and is situated in the Whitworth Street/ Princess Street conservation area. The building has largely been vacant since 1985 although it has been used for storage and other purposes. However an appropriate on-going use has never been introduced and the building has deteriorated to the extent that it is now included on the English Heritage Buildings at Risk register and there is real concern about the condition of the building and its future. The building has a negative and unacceptable appearance in the street scene action and intervention to bring about its re-use and improvement must be a priority in planning and regeneration terms.

3. Planning Policy Context

- 4.1 The scheme will have to be developed in the context of relevant national, regional and local guidance. PPG1, PPG 13 and PPG15, RPG13, the Manchester UDP, City Centre Strategic Plan, Manchester: Knowledge Capital and the Piccadilly Regeneration Initiative are all relevant documents and the scheme must be justifiable in relation to them.

4. Development Principles

- 5.1 The pivotal location of the building in regeneration terms and its prominence at a major gateway entry route into the City Centre mean that its future use must be very carefully considered. Whilst in a pure planning sense, the overriding priority may well be to bring the building back into active use, there are compelling reasons why its contribution to regeneration will be equal if not of more importance.
- 5.2 The building must contain uses that create activity and interest throughout the day and this should be expressed on all frontages to contribute to the creation of an environment that will achieve the full integration of the wider area. In essence therefore, the building must contain a significant amount of public access and public usage throughout the day, evening and at night time.
- 5.3 The quality and nature of the uses must complement the remainder of the Piccadilly area in order to ensure that the use is sustainable and ensure that that the renaissance of the wider area can continue. Such is the prominence of the building that consideration must be given to a use or uses that bring benefits to the wider area in addition to the Piccadilly area.
- 5.4 Uses that enhance the City's role as an international destination would add considerable value to the wider area and would be encouraged above other uses. It would not be advantageous to duplicate or replicate existing uses in the area and therefore uses that complement the existing range of activities in

a dynamic and inventive manner would help to maximise the sites contribution to regeneration.

- 5.6 The former fire station occupies what is effectively an island site and has prominent frontages to London Road, Fairfield Street and Whitworth Street. Similarly, each street frontage is an important interface with Piccadilly Station, the University and Piccadilly triangle respectively. These are all key routes, which form critical connections within and with the wider area, and as such the development must engage with and respond to these key routes.
- 5.7 The building must be restored in a sensitive manner that respects its architectural and historical significance. This should be based around the preparation of a conservation plan following appropriate survey work.
- 5.8 The quality of all aspects of design has been a core component of the success of the Piccadilly initiative. A commitment to design quality is essential to all aspects of the refurbishment of this building including sensitive restorations and modern contemporary interventions. A design team that has the knowledge and experience of dealing with such buildings in a sensitive and innovative manner will be critical to the success of the project.
- 5.9 The scheme is well placed in terms of accessing all forms of public transport. However, the future use of the building will inevitably generate a demand for car parking and the development must accommodate this either on site or nearby.