

CABINET - 18TH MARCH 2010

Joint Report of the Director of Loughborough Regeneration and the Director of Development

ITEM 19 FORMER BAXTER GATE HOSPITAL SITE

Purpose of Report

To update Cabinet, as requested, on progress on this matter since it was last considered, and to seek Cabinet guidance on future action.

Recommendations

1. That Cabinet notes the current position on this matter and indicates whether it wishes to support continuing efforts to bring the landowners together to try to secure a joint approach to the development of the former hospital and PCT site
2. That Cabinet notes the situation with regard to the condition of the former hospital buildings and the powers available to the Council to require action from the owners, and that an urgent meeting be requested with the owners to establish the extent of any further work necessary to make the buildings safe and secure
3. That approaches are made to the owners of other properties on Baxter Gate where their condition or appearance is giving cause for concern.

Reasons

1. To enable Cabinet to consider the appropriate course of action to secure the development of this important site
2. To ensure that every effort is made to ensure the safety and security of the buildings
3. To ensure that a comprehensive approach is taken

Policy Context

The old Baxter Gate Hospital lies within the Former General Hospital/Aumberry Gap site identified in the Loughborough Town Centre Masterplan as a key site for development. The Masterplan reflects the long-standing Development Plan proposals for the area and it is accompanied by a Supplementary Planning Document which sets out comprehensive development and design guidelines for the site.

In the current economic climate it is becoming increasingly accepted that local authorities need to take the lead in realising development ambitions for their areas and to develop innovative and creative approaches to assist development.

Background

At Council on 20th April 2009, Councillor Newton presented a petition to the Mayor (Council Minute 97 2008/2009).

The petition requested that “the Borough and County Councils use their full influence to retain the Hospital on Baxter Gate for local people, whether as homes for older people with extra care or a mixed development with shops and flats, recognising its key town centre position and important heritage”. The petition had 265 signatories

The petition was considered by Cabinet at its meeting on the 14th May 2009 when the following resolution was made:

“That the Directors of Development and Loughborough Regeneration prepare a Route Map and Action Plan for the comprehensive redevelopment of the Former General Hospital/Aumberry Gap Opportunity Site identified in the Loughborough Town Centre Masterplan, and work with landowners and potential partners and developers to secure its delivery”

The reason for this resolution was to try to achieve the development of this key site in the Town Centre Masterplan for an appropriate range of uses and to encourage the main landowners to work together to achieve this.

Cabinet will recall that the former Baxter Gate Hospital site has been the subject of two planning applications for approximately 600 student housing bed spaces and some limited retail and other ground floor uses. Both applications were refused planning permission by the Borough Council and appeals against each of those decisions were dismissed by the Secretary of State. The applications generated significant interest from various organisations in the town. The appeals were dismissed largely on the grounds that the proposals did not comply with the Supplementary Planning Document in terms of mixed uses, active frontages and public realm provision.

However, the site needs to be seen in the context of the remainder of the identified Opportunity site. It is considered that the best prospects for securing an appropriate development of the former hospital site lie in its association with at least the adjacent PCT retained land and preferably with the whole of the identified Masterplan site.

The land adjacent to the Hospital is still owned by the PCT. Currently it is occupied by the Pinfold Gate Surgery and the NHS Walk-in centre. The Walk-in centre was due to relocate to the Epinal Way Hospital but it has recently been announced that it will remain on the site. There is an outline planning permission on the site for a Group Surgery, but as yet nothing has happened. Recently it was announced that the Storer Road surgery was considering the possibility of converting the former Rosebery School for surgery use.

The Aumberry Gap site is largely in a single ownership, and it has been the subject of many discussions about its redevelopment. So far no firm proposals have been submitted for planning permission.

It is clear that an acceptable development of the former hospital site is going to have to involve a radically different approach from the one so far pursued by Domain if it is to find favour with the Council or the Secretary of State. This is likely to involve land currently outside Domain’s control. The PCT and the local GPs need to consider alternative ways of delivering their health facility requirements which could include their provision as part of a wider mixed-use development.

The owner of the Aumberry Gap site has been trying for many years to secure developer interest in his site without success, and a realistic approach needs to be taken to its development potential.

The time is particularly opportune to formulate a Council-led initiative to try to secure landowner cooperation. In addition, the potential for partner involvement or funding needs to be explored. Preliminary discussions have already been held with Prospect Leicestershire. The Council has also the advantage of existing partner organisations in the Loughborough Town Team and the Loughborough Town Centre Partnership through which consultations can be conducted. Such a joint approach would seek to establish agreed development fundamentals for the site, establish how public intervention might assist in delivery and identify potential developer partners to help deliver it.

Progress since the last Meeting

Following the Cabinet resolutions in May 2009 a Route Map and Action Plan were prepared on the Council's behalf by Morland Consultancy and formed the basis of initial discussions with Domain and the PCT.

A meeting was held with senior representatives of both Domain and the PCT at the PCT headquarters on 10th July 2010. The Council was supported at this meeting by its town centre consultant and by Prospect Leicestershire. There was a wide-ranging discussion about the planning situation on the site and the positions of Domain and the PCT in terms of their development aspirations and timetables. In particular there was uncertainty about the promotion and procurement of a new joint Doctors' Surgery.

It was agreed that both parties would consider their respective positions and they expressed a willingness to look at the possibilities of a joint development approach. It is understood that there has been further discussion between the two land owners, but as yet no proposals for consideration have emerged. However, officers have been assured that discussions are continuing with a number of options under consideration and that some proposals will eventually emerge. Enquiries have been made as to whether the decision to retain the Walk In Centre will have implications for their proposals and whether the potential use of the former Rosbery School by the Storer Road Surgery has any implications for the co-location of a number of Loughborough surgeries on the site, but no response has been received.

In September 2009 the PCT asked for further guidance from the Council as to its interpretation of mixed use and active frontages. The Director of Loughborough Regeneration responded as follows:

"In terms of what constitutes an active use clearly retail, commercial, leisure, food and drink all have the potential to do this, depending on the design and arrangements of doors, windows, openings and entrances. In the case of the potential development on your site then the reception and entrance to a joint Doctors' practice would also have the potential to be an active frontage as of course would an associated café or pharmacy use. We appreciate that in the current economic climate and in particular parts of the site it may be difficult to attract retail use. However, public and third sector uses may well be suitable active uses and we would be very happy to work with you to identify potential occupiers, especially ones which might complement the health uses proposed. Commercial offices or business space could also be suitable and again we would be happy to work with you to identify potential occupiers from the many enquiries we receive for such premises. In

addition, residential development can provide active frontages and interest if the design of doors, windows, entrances etc is carefully handled. These could well form an element in a run of mixed uses.

I don't think we would be looking for particular percentages of active frontages in the development as such. We recognise that the development form identified in the SPD creates a number of frontages on which we are seeking active uses. In this context the frontages to Baxter Gate and to the new routes from Baxter Gate, High Street and the Inner Relief Road into the site are particularly important and perhaps offer the best opportunities for commercial active frontages.

You will know that we are very keen to get a comprehensive approach to the redevelopment of the whole Opportunity Site, but we recognise that the Domain Baxter Gate and the PCT ownerships represent the best opportunity for an actual development proposal given the requirements of both parties for student accommodation and health facilities respectively. We would encourage you to take a fresh look at how these facilities might be arranged over the joint site to address the comments of the Inspectors and the SPD policies that amounts to more than just a cobbling together of the current proposals for the two sites. The frontage to the Inner relief Road is more challenging, but it will be fronting what will be the main traffic route through the Town Centre with a major public building opposite which might throw up particular opportunities.

We would be very happy to work with you and Domain to work up a more comprehensive approach and we believe the next step would be to commission an architect to look at how the currently proposed uses could be integrated into a comprehensive scheme which is likely to get a planning permission. Prospect Leicestershire have offered to play a role in facilitating this approach”.

Condition of the former Hospital buildings

In the meantime the condition of the former hospital buildings is giving increasing cause for concern. There has been significant deterioration in their condition and appearance and it is clear that the buildings have been subject to illegal entry and vandalism.

No. 54 Baxter Gate is a Grade II listed building and it lies within the Church Gate Conservation Area. The building has been empty and neglected for a significant period, and it is now into a very dilapidated condition, which puts it at risk.

Some of the other former hospital buildings, including the main block fronting Baxter Gate, lie within the Conservation Area but are unlisted. These buildings are also in a very poor condition.

Unfortunately there is no specific obligation on the owner of a building that is listed or in a conservation area to keep it in good repair and safe – any more than there is such an obligation in the case of any other building. However, the Planning (Listed Buildings and Conservation Areas) Act 1990 gives a local planning authority scope to take action in situations of listed buildings at risk. Appendix I sets out the powers available to the Council in these circumstances.

The owner has taken action recently to make the Listed Building (No. 54) more safe and secure. From an inspection from the street it is clear that some emergency works to provide a degree of protection to the listed building have been carried out. On the face of it the works appear to be limited to the boarding up/securing of

windows and doors, and some temporary works to areas of flat roof. The main roof finishes appear to be in a reasonable condition, which is positive. However, it would be helpful if the owners could clarify exactly what works have been done to date and what arrangements, if any, are in place to identify and deal with any ongoing issues.

The serving of an Urgent Works Notice could not achieve much more than has been done although the pavement viewing identified the following additional matters that should be addressed:

- The reinstatement of 2 missing sections of gutter/fascia around the turret part of the building;
- The checking/cleaning out of guttering generally;
- A leaking down pipe on the Baxter Gate frontage, which is causing brickwork to become saturated and exacerbating its deteriorating.

With regard to the unlisted buildings, works to board up/secure window and door openings have also been carried out but again there are some unaddressed issues relating down pipes (particularly a missing section) and gutters.

The measures undertaken recently by the owners to keep the buildings weather proof and secure have been minimal and amount in effect to holding measures. The condition of the Listed Building in particular will continue to need monitoring for any deterioration and if the owners fail to address further emergency works that may become necessary, the Council may need to consider 'Urgent Works Notice' action but at the present time such action appears unnecessary.

Apart from the former hospital, there are several other buildings in Baxter Gate that are in a poor condition, one of the worst being the vacant property immediately adjacent to the Listed Building. This building is unlisted but is arguably a more urgent candidate for Section 215 (Untidy Sites) action than the unlisted hospital buildings. It is considered that efforts should also be made to approach property owners other than Domain whose properties are also contributing to the neglect and poor appearance of Baxter Gate.

Re-Use of the former Hospital Building

It is clear that the petitioners were keen to see the former main hospital building used for some purpose rather than being demolished. They made some suggestions as to what those uses might be. However, the planning applications for development have all assumed its demolition and the Council's planning policies do not require its retention. Although the planning applications were refused, the reasons for refusal did not include the desirability of retaining the building. Neither Inspector at the two subsequent planning Inquiries considered that the building should be retained and both agreed that the proposed replacement building was of an acceptable design. The possibility of re-use was explored with Domain during the course of their planning applications but it their view was that a viable conversion was not possible because of internal arrangements and storey heights.

This does not mean of course that re-use is out of the question, but for the Council to successfully pursue that option it would either have to find a user willing and able to fund a conversion and able to make an acceptable offer to Domain, or the Council would have to be prepared to acquire the building itself and try to find a partner to develop it.

Cabinet will be aware that suggestions have been made over the years that the former hospital site should be used as a bus station. This option was effectively ruled out when the County Council approved the construction of the Inner Relief Road which also includes provision for new “bus hubs” on Baxter Gate and Derby Square. The pros and cons of a bus station were fully debated at the time and it was clear that bus operators were not convinced of the need for one. The Inner Relief Road scheme is awaiting confirmation of the Compulsory Purchase Orders and final confirmation of Government Funding.

Financial Implications

There are currently none. The ongoing work with landowners and partners is funded from existing budgets.

Risk Management

The risks associated with the decision Cabinet is asked to make and proposed actions to mitigate those risks are set out in the table below.

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
Unwillingness of landowners to cooperate	Medium	Medium	A comprehensive scheme could still be prepared. If developers were willing to back it, the Council could consider use of its powers of compulsory purchase
Lack of developer interest	Medium	High	In the absence of developer interest it would be difficult to pursue the proposal. Direct public intervention would be the only alternative or awaiting improvement in the market
Individual landowners pursue proposals on their own sites	Medium	Medium	The Council would have to respond to these as planning authority in the context of its established planning policies

Key Decision: No

Background Papers: Action Plan and Route Map prepared by Morland Consultancy

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Appendix I

The principal ways a local planning authority may approach the problem of a listed building in need of repair, where owners or occupants are unwilling to meet their obligations, are:

1. By the service of an **Urgent Works Notice** for the preservation of **unoccupied or partly occupied buildings** under Section 54 of the 1990 Planning (Listed Buildings and Conservation Areas) Act, whereby the owner is served with a notice specifying the minimum necessary works (e.g. a temporary covering to a defective roof or propping of an unstable wall) and a time not less than seven days for executing them. If the required works are not executed within the time given the Council may undertake the works and take steps, through the Magistrates Court, to recover the cost; or
2. By the service of a **Repairs Notice** under Section 48 of the same Act, which specifies the repair works required. This is likely to be full works for the permanent repair of the building (e.g. re-roofing using an appropriate type and style of roofing material, or rebuilding a wall to the correct detail, using salvaged materials). The service of a Repairs Notice will often prompt an owner to begin to carry out works or to actively seek to sell the property. In extreme cases where the owner fails to complete the works within the period stated in the notice the Council may acquire the building compulsorily, which needs to be taken through the courts and an appropriate value for the property decided. The Council cannot carry out repairs under the Notice until it secures ownership. In an ideal arrangement responsibility for the building would be passed on to a Building Preservation Trust or other appropriate party as soon as possible after the completion of the CPO for them to execute the building's restoration.

There are other powers relating to buildings generally

1. In the most serious situation where a building is in such a poor state of repair as to be positively dangerous, a local authority can use powers under the **Building Act 1984** to require the owner to demolish it or make it safe – or for the authority to do so itself and recharge the owner. However sensitive and careful use of these powers is needed in the case of buildings that are listed or in a conservation area.
2. A local authority may serve a notice under **Section 215** of the **Town and Country Planning Act 1990** on the owner and occupier of any building or other land whose condition is adversely affecting the amenity of the neighbourhood, requiring the recipient to remedy its condition (subject to a right of appeal). If the necessary works are not carried out, the authority can carry out the necessary works itself and reclaim the cost from the owners. There is no need for the building to be listed or for the land to be in a conservation area, but the Section 215 procedure is particularly appropriate to a neglected historic building. The local authority simply has to be satisfied before serving the notice that the condition of the property is “adversely affecting” the “amenity” of any part of its area.