

# 86-90 DUKE STREET LIVERPOOL

## HERITAGE STATEMENT



April 2013

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## EXECUTIVE SUMMARY OF HERITAGE STATEMENT for 86-90 DUKE STREET, LIVERPOOL

- 1 The Heritage Statement has been prepared by Peter de Figueiredo, architect and heritage consultant with more than 30 years experience in conservation and regeneration in the public and private sectors. The author was Head of Conservation and Design at Chester City Council for over 10 years, and from 1999 to 2007 was Historic Buildings Inspector for English Heritage, advising local authorities and Government on conservation policy and practice across the North West. He was involved in securing the inscription of the Liverpool World Heritage Site (WHS), and was a founder member of the WHS Steering Committee.
- 2 This report provides a brief summary of the full Heritage Statement, which concerns a proposed development site at 86-90 Duke Street, Liverpool. The site, which includes land and properties fronting Duke Street, Suffolk Street and Henry Street, is within the Duke Street Conservation Area and the Liverpool Maritime Mercantile City World Heritage Site.
- 3 The site is owned by the Homes and Communities Agency (HCA), which purchased it (as English Partnerships) in 2002 to facilitate the regeneration of the Ropewalks area. In 2004 Langtree Group Plc, the planning applicant for the proposed scheme, was appointed as preferred developer following a design competition held by Liverpool Vision and English Partnerships.
- 4 A planning application was approved in 2005 for a mixed use development that involved the conversion and refurbishment of 86-90 Duke Street, with demolition of ancillary buildings and new build. This was subsequently deemed to be unimplementable due to Rights of Lights issues and a significant change in market conditions. Since then the development team has worked with Liverpool Vision, the HCA and Liverpool City Council (LCC) to prepare a viable office based scheme.
- 5 The application proposal is in response to a request from Atlantic Container Line UK (ACL), a defined end user, to purchase 40,000 sq ft of Grade A office space on the site. The revised scheme involves demolition of No. 86 and Nos. 88-90 Duke Street, with a new building, retaining the former Vinegar Warehouse fronting Henry Street to the rear of the site.
- 6 Government policy set out in *the National Planning Policy Framework (NPPF)* requires that proposed changes to the historic environment are based on a clear understanding of significance of any heritage assets and their setting that are affected, providing information so that the likely impact of proposals can be assessed. The Statement of Significance provided in the full report is carried out in accordance with the NPPF and local planning policy, and is intended to aid the assessment of the planning application. It addresses the historical development of the Ropewalks area, its character and appearance, and whether the properties contained within the development site make a positive contribution to the conservation area and the World Heritage Site.
- 7 The Statement of Significance demonstrates that the principal features of significance are:
  - Association with the growth of the port and the early expansion of Liverpool

- Historic associations with the city's merchant class
  - Historical mix of residential, commercial, retail and leisure uses in a dense pattern of development
  - Changing plot divisions, originally the site of a large brewery, then later subdivided and developed for different functions.
  - Surviving 18<sup>th</sup> century elevation of 86 Duke Street
  - Fragmentary survival of early 19<sup>th</sup> century Henry Street warehouse elevation
- 8 Regarding the existing buildings, the only features of material significance are the 18<sup>th</sup> century front and side elevations of 86 Duke Street and the early 19<sup>th</sup> century Henry Street Vinegar Warehouse frontage. These two buildings make a low to medium contribution to the character and appearance of the conservation area and the World Heritage Site by virtue of their age, form and aesthetic interest. Features of more limited interest are the survival of the altered 88-90 Duke Street elevation, which make a modest contribution to the character and appearance of the conservation area, and negative features are the poor quality extensions and alterations made to the site and buildings in the 20<sup>th</sup> century, and its general state of dereliction.
- 9 The impact of the proposed scheme has been carefully considered in accordance with the NPPF and local planning policy. It concludes that considered overall, there will be a potential moderate/slight adverse impact of the proposals on the significance of heritage assets.
- 10 Considering that there is a potential loss of significance of heritage assets, a review against four policy tests included in the NPPF has been carried out. These confirm that lengthy and detailed efforts have been made to find alternative options for the retention of the frontages of the Duke Street buildings on the part of the Langtree Group, but that these have proved unviable. The potential loss of heritage significance, however, should be balanced against the current proposal to retain the frontage of Vinegar Warehouse on Henry Street, which was considered in 2008 by LCC and English Heritage to be the building of greatest significance.
- 11 The evidence of open marketing of the site over a number of years shows that considerable effort has been made by both EP and more recently by Langtree to secure development of the site and to retain the Duke Street frontage buildings. The marketing has confirmed that, with the exception of ACL's interest in a new development providing Grade A office space, during the whole 10 year period no genuine interest in the site has been shown and no viable use has been found for the existing Duke Street buildings.
- 12 In regard to alternative sources of funding that may support the retention and continued conservation of the existing buildings, all potential funding sources have been investigated, and the conclusion is that there are no other funds available, and that the potential ERDF grant is the only opportunity to secure the redevelopment of the site in such challenging economic times.
- 13 The crucial test contained in the NPPF is whether the harm or loss to heritage assets is outweighed by the benefit of bringing the site back into use. The proposed development site has been a regeneration priority for more than 20 years. Previous proposals for regeneration have been constrained by viability issues, but now,

through national and European funding support, there is an opportunity to deliver important economic and social benefits through the redevelopment of the site. Should the opportunity offered by ACL be lost, it is probable that the site would remain vacant for many years into the future.

- 14 The benefits offered by the proposed scheme area are therefore as follows:
- The proposal will bring an important area of vacant and redundant land and property back into productive use
  - It will ensure regeneration of the site, and retention of a high profile local employer within the city, which is likely to lead to further employment growth, safeguarding 66 existing jobs and creating 153 new jobs at the UK level
  - Without this committed end user, speculative funding and grant support will not be available for regeneration of the site, which will remain vacant, continuing to blight this part of the Duke Street Conservation Area and the World Heritage Site
  - Grant of permission will generate further economic benefits via direct employment in construction and development and deliver other indirect employment opportunities
  - The character and appearance of the site will be significantly enhanced through development, and the replacement building will act as a catalyst for further regeneration of the Ropewalks area, providing additional confidence as a location for occupation and investment

These benefits are considered to substantially outweigh any disbenefits associated with the loss of the existing buildings at 86-90 Duke Street.

- 15 The Statement explains why it is not practically or economically feasible to retain the unlisted buildings on Duke Street within the development project. This does not, however, negate the opportunity for enhancement of the conservation area or for its significance to be better revealed. In its present state, the site detracts from the character and appearance of the conservation area, and has a negative impact on values associated with the World Heritage Site.

- 16 Indeed, as a result of development, the site will be significantly enhanced, and the replacement building will act as a catalyst for further regeneration of the Ropewalks area. The building has been designed to respect the scale and massing of surrounding properties and to strengthen the townscape character of the adjoining streets. The Vinegar Warehouse will be conserved and given a dignified setting within the new development, and the quality of the public realm will be enhanced.

- 17 Furthermore, the prospective new owner of the building, ACL, is an international shipping company, and its occupation of the development will consolidate the historic links between the Ropewalks and maritime commerce in Liverpool. This will provide a new chapter in the development of the area, which will further reveal aspects of significance of the WHS.

- 18 To supplement the conclusions reached in the Statement, an independent analysis has also been carried out at the request of LCC of three options for redevelopment of the site, two of which seek to retain 86 Duke Street. The detailed feasibility studies confirm that in each of the two options which involve retention of 86 Duke

Street, there are significant structural, architectural and economic challenges to effective delivery.

- 19 The analysis concludes that the only scheme option that meets the functional and floor space requirements of the end user, ACL Ltd, is the proposed development. It is also the only viable development option. This application scheme is likely to receive grant funding and has the benefit of a substantive identified end user. The alternative options to retain and integrate 86 Duke Street are not financially viable and will not realise any development value with a significant gap which cannot be subsidised by gap funding. It is unlikely that there would be any prospect of grant funding which could allow such schemes to progress. Accordingly the schemes will not be delivered in the current market and the ACL Ltd application scheme is the only viable option available.
- 20 In conclusion, it is clear that the adjacent listed buildings, the wider conservation area and World Heritage Site will benefit from the economic regeneration and the increased activity that will be created by the proposed development. Conversely, if this scheme is not developed, then the heritage assets will continue to be blighted by the Duke Street buildings and other derelict properties on the site which have no economic future. Without an end user the site will not be developed in the medium to long term so this is a 'once in a generation' opportunity. The end user ACL Ltd (an established local employer) is keen to retain the Vinegar Warehouse, and the applicant has positively incorporated this into the design development. Langtree Group Plc has a legal agreement to deliver this project for ACL and is fully committed to the delivery of the development.

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**Appendix 1: Viability & Design Summary Options 12J – 12P 2007-2008 (Document appended separately)**

**Appendix 2: Timeline and Chronology of Events**

**Appendix 3: Arup Structural Report 2013 (Document & CD appended separately)**

**Appendix 4: Langtree Group Marketing Evidence Note**

**Appendix 5: Redacted copy of Langtree Group Plc ERDF Application NWOP Priority 3 call for project applications in Merseyside PRIVATE & CONFIDENTIAL (Document appended separately)**

**Appendix 6: Amion Consulting Funding for Development (including HCA letter 6.3.13)**

**Appendix 7: DLA Architecture Options Study**

**Appendix 8: E C Harris Cost Analysis (Order of Costs)**

**Appendix 9: Keppie Massie Development Appraisals Report (Document appended separately)**

**Appendix 10: Summary Schedule of Options Analysis**

NB - \* Please note that the Viability Information contained in Appendix 1, 5, 8 and 9 have been provided for the Council's information however these documents contain commercially sensitive information and should not be made available to either the public or third parties.

## 1 INTRODUCTION

- 1.1 This report concerns a proposed development site at 86-90 Duke Street, Liverpool. It is approximately 0.14 hectares in area and includes land and properties fronting Duke Street, Suffolk Street and Henry Street. The site is within the Duke Street Conservation Area and the Liverpool Maritime Mercantile City World Heritage Site.
- 1.2 The properties on the site, which is owned by the Homes and Communities Agency (HCA), have long been vacant, and are in a poor state of repair. In 2004 Langtree Group Plc was appointed as preferred developer for the site following a design competition held by Liverpool Vision and English Partnership (then owners of the building).
- 1.3 A planning application was approved in 2005 for a mixed use development that involved the conversion and refurbishment of 86-90 Duke Street, with demolition of ancillary buildings and new build. This was subsequently deemed to be un-implementable due to Rights of Lights issues with the neighbouring building and a significant change in market conditions.
- 1.4 Since then the development team has worked with Liverpool Vision, the HCA and Liverpool City Council to prepare a viable office based scheme. This is in response to a request from Atlantic Container Line UK (ACL), a defined end user, to purchase 40,000 sq ft of Grade A office space on the site. The revised scheme involves demolition of No. 86 and Nos. 88-90 Duke Street, with a new building, retaining the former Vinegar Warehouse fronting Henry Street to the rear of the site.
- 1.5 Government policy set out in *the National Planning Policy Framework* (NPPF) requires that proposed changes to the historic environment are based on a clear understanding of significance of any heritage assets and their setting that are affected, providing information so that the likely impact of proposals can be assessed.
- 1.6 This report, carried out by Peter de Figueiredo, provides an assessment of the building and site within its historic context, and an understanding of its development based on historical research and building recording. A statement of significance identifying the principal features of interest and the values they represent is included. A set of policies and principles was also prepared in advance of final scheme development in order to inform the architectural design.
- 1.7 An assessment of the potential impact of the proposed development on the significance of the building in the context of the NPPF and local planning policy is included in the report, together with the summary of a detailed options appraisal. The heritage statement is submitted in support of the planning and listed building consent applications.

## 2 HISTORY OF THE ROPEWALKS AREA

- 2.1 The site lies to the south of the city centre in an area recently renamed Rope Walks. The growth of the Duke Street area commenced following the opening in 1715 of the Old Dock, or Steers Dock, which was located within the original pool and allowed secure moorings and access from the River Mersey. The opportunity that this afforded to the merchants of the town led to a demand for premises near to the Dock and its Customs House.<sup>1</sup>
- 2.2 Due to its proximity to the Dock, and the nature of its topography, with the land running uphill from the Dock, the area was at the forefront of the first speculative boom in Liverpool. Hanover Street was built up first, followed by Duke Street and Bold Street, and the fields that were an earlier feature of the area were quickly developed. Although there had been port-related industrial activity in the area, with roperies occupying the site of what is now Bold Street, this intensified along with a demand for residential properties so that the merchants could be located close to their business interests.
- 2.3 The Charles Eyes plan of 1785 illustrates that by this time, the Duke Street area had been substantially laid out and developed, so that connecting streets such as Seel and Fleet Streets were present, and the general plan of the area seen today was in place. This grain follows a hierarchy of streets, with the broadest containing the residual merchants' residences and shops, and the interconnecting and narrower rear streets containing warehousing.
- 2.4 The earliest surviving trade directory for Liverpool, produced by J. Gore in 1766, indicates the population mix of the area at the time. In Cleveland Square, the list contains nine sea captains, six traders/merchants as well as artisans and professionals.
- 2.5 Originally the goods brought into the Dock were stored in the merchants' houses, but as trade grew, they proved to be inadequate, and private warehouses were constructed adjacent to the houses. Due to the huge demand for plots in this area, the new industrial and warehouse buildings took the form of deep plans front to rear, with narrow street frontages and they were extended in height up to six stories with a basement.
- 2.6 The housing consisted of a range of buildings from grand Georgian town houses such as the Parr residence on Colquitt Street, to terraces as seen at 15-25 Duke Street. Some were arranged around squares or gardens, such as Wolstenholme Square and Cleveland Square, and a Ladies Walk was provided along Duke Street. As warehousing and industrial uses of the area expanded, the merchants moved to more salubrious suburbs that were being developed higher up the hill in the Canning Street area and the suburbs.

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<sup>1</sup> Liverpool City Council, *Liverpool Maritime Mercantile City World Heritage Site nomination document*

- 2.7 Some of the former residential properties were adapted to other uses, with ground floors converted to shops as the retail importance of the area grew. As part of this process, the area also saw an increase in the number of labourers attracted to the port and its trades, and the accommodation for this group was provided in much poorer back-to-back housing such as Dukes Terrace and other housing courts. Within the Duke Street area, a number of key historic buildings remain that help to define its history and character.



*Former Parr residence on Colquhoun Street and contemporary warehouse to rear*

### 3 HISTORY OF THE SITE

- 3.1 The first buildings which can be identified as having stood on the proposed development site originated in the 18th century. G Perry's map of 1769 shows a complex of brewery buildings occupying most of the site. Two separate ranges are set to either side of a central courtyard, each running from Duke Street through to Henry Street (which remained unnamed at that time). The buildings correspond to the location of 82-88 Duke Street, and the area of 90/90A Duke Street is shown as open ground, although what was later to become Suffolk Street had already been established. The buildings formed a substantial complex, showing that the site was not originally subdivided into separate development plots, and would probably have included cellarge and wells for water.<sup>2</sup>



*G Perry's map 1769 with development site marked by arrow*

- 3.2 The arrangement of the brewery buildings is unlike that shown on later maps, and the site was substantially remodelled during the 19<sup>th</sup> century. R Horwood's map of 1803 indicates that by then the easternmost range of the brewery had been demolished and replaced by the present 86 Duke Street with a semi-circular bay added onto the western side. This bay suggests that the building's principal façade and entrance did not front onto Duke Street, but into the alleyway alongside. The western range of the brewery had meanwhile been altered and subdivided.

<sup>2</sup> Gifford, *An Archaeological Desk-Based Assessment at 86-90 Duke Street, Liverpool*, 2005



*R Horwood Plan 1803*

- 3.3 The 1803 map also shows the corner of Duke Street and Suffolk Street had been built up for the first time. Although a single block is indicated, it is probable that this represents the three properties 88-90A that are traceable on later maps, and still survive in part and in an altered state.
- 3.4 The layout of development had changed again by the time of the publication of the 1836 map. This shows the complete site built up, including the full frontages to Suffolk Street and Henry Street, with just small inner courtyards for rear access. The westernmost properties on Henry Street are marked as 'D Laffers Cooperas' (a cooperage). A minimum of 12 properties are indicated on the map, showing how plot divisions multiplied in the 19<sup>th</sup> century, and the buildings away from Duke Street may have been further subdivided.



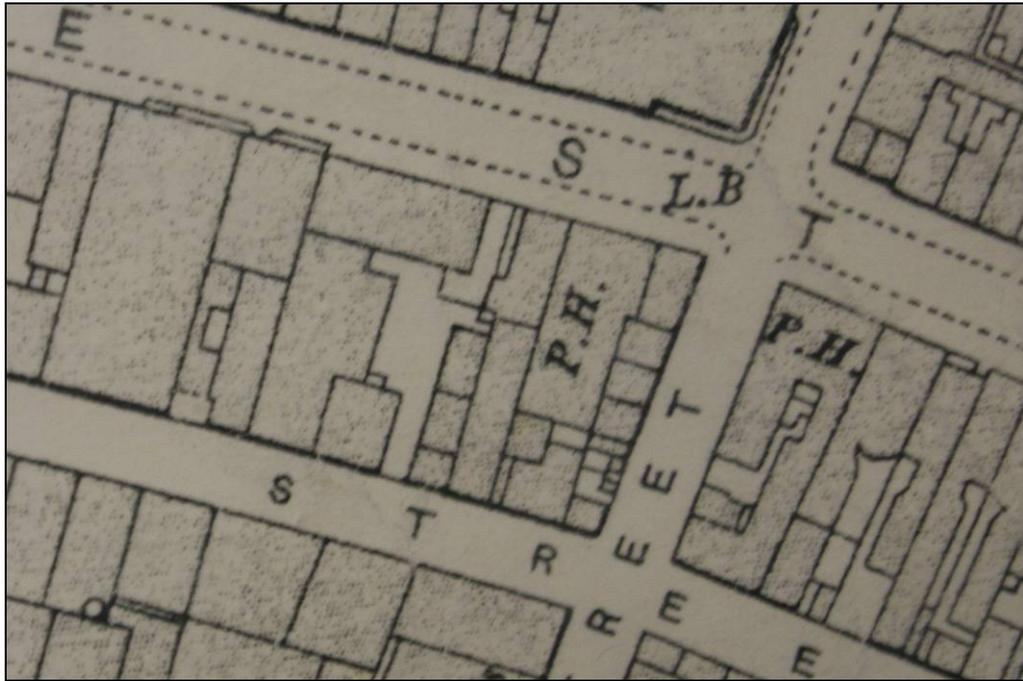
*OS map 1847*

- 3.5 The 1847 map gives a clear idea of the uses of several of the buildings, with public houses shown on the corner of Duke Street (Prince of Wales) and on Henry Street (Cooper's Arms – relating to the adjoining cooperage). The subdivision of the properties fronting Suffolk Street suggests small scale workshops or retail units. At the heart of the site was the 'Irven Soapery', though it is not entirely clear which buildings formed the soap works.
- 3.6 Trade Directories from 1862 and 1891 provide the names and trades of the various occupiers of the buildings. In 1862 Thomas Irven operated as an oil merchant from 82-86 Duke Street, and a soap manufacturer from 67-69 Henry Street, but by 1871, his businesses appear to have been displaced by a brewer's agent on Duke Street and spice merchant on Henry Street. By 1891 The Liverpool Vinegar Co. had taken over the Henry Street premises. Through the whole of this period Nos. 88-90 Duke Street were in use as a Public House, the landlord of which was John Percy Crewe.
- 3.7 The 1890 map, which is more detailed, shows Nos. 88-90 combined as a single property, and in use as a public house for the first time, though it is clear from the Directories that they had been combined since at least 1862.



OS map 1890

- 3.8 There was little physical change to the area in the early 20<sup>th</sup> century, during which it remained densely occupied, although the 1911 Directory shows that by then the properties fronting Suffolk Street had become small retail units rather than workshops. From 1921, the Directories record the name of the Public House at 88-90 as the 'Royal Yacht'; it was still operating in 1962, the date of the last Directory.



OS map 1927



OS map 1970

## 4 ARCHITECTURAL ASSESSMENT

### *Exteriors of Buildings*

- 4.1 As described in the historical account, the site has seen a range of uses and building types, and the buildings that remain on the site are of varying age and character. All have been subject to considerable modification to suit the changing fortunes of the Duke Street area over the past 200 years.
- 4.2 The existing Duke Street facade consists of two complete pedimented gable ends over 86-90 Duke Street, and a fragment of a third gable that previously continued over the demolished 90A Duke Street. Historic map evidence suggests that the origins of these buildings all predate 1803. The pediment over 86 Duke Street and the slightly higher walls indicate that this is a separate, and probably slightly earlier structure than the adjacent 88-90.



*Duke Street elevation*



*Elevation before demolition of 90A Duke Street*

- 4.2 Unlike 88-90 Duke Street, No. 86 has no access directly to Duke Street, and must always have had its entrance into the alleyway which had been formed as part of the 18<sup>th</sup> century brewery layout. The building was initially a dwelling, but appears to have been converted for retail and warehousing at some stage. No. 86 is built of red brick laid in Flemish bond, later painted, and has plain square-headed windows with brick lintels and stone sills. The ground floor is raised high above street level, and there is a lunette window in the tympanum of the pediment.
- 4.3 The photograph taken of Nos. 88-90 before No. 90A was demolished (see above) indicates that this twin-gabled block originally had Georgian proportions, a fair faced brick facade, and a more regular pattern of windows, for the demolished section retained its original square-headed openings. The block appears on the 1803 plan as a single building, but the 1847 plan shows it as three houses, the central one being narrower than the two outer ones. This is likely to have been its original form, in spite of the strange mismatch between the pedimented frontage and the line of the party walls. By 1847 No. 90A had become the Prince of Wales PH; and by 1862, 88-90 had been amalgamated and become a separate hostelry, later called the Royal Yacht. It is likely that the stucco enrichment with hood moulds, pedimented windows, and ground floor pub frontages in an eclectic mix of styles was applied to the formerly plain facade around the 1860s.



*Duke Street elevation showing stucco embellishments c.1860s*

- 4.4 The properties fronting Suffolk Street, apart from the corner structures to Duke Street and Henry Street were demolished between 1962 and 1973. The building behind 90 Duke Street was added to the rear in the mid 19<sup>th</sup> century, and has brick buttresses which were erected to support the eastern wall following the removal of structures within the 90A/Suffolk Street strip.

- 4.5 The small building at the intersection of Henry Street and Suffolk Street was until lately used as a cafe and has been altered at various stages. It first appears on the 1836 map, but the roof line has been lowered as seen by the scarring from an earlier roof on the side of the adjoining building.



*Building behind 90 Duke Street*



*Corner of Suffolk Street and Henry Street*



*Adjacent property on Henry Street*



*Demolished structures to rear of 86 Duke St*

- 4.6 The adjacent property on Henry Street occupies the site that was the 'Cooper's Arms' PH during the second half of the 19<sup>th</sup> century. It is marked as 'works' on the 1973 OS map, but was substantially rebuilt in the late 20<sup>th</sup> century.
- 4.7 The interior of the site previously contained workshops and warehouses, with narrow courtyards, but these have mostly been cleared, leaving an open frontage to Henry Street. The exposed walls provide clues about the nature of the lost structures. The exposed wall behind 86 Duke Street has blocked-in joist holes for massive timbers, indicating its use as a warehouse, and a scar on the adjacent wall shows the access route for warehouse workers.
- 4.8 Between this demolished warehouse and 86 Duke Street, a 20<sup>th</sup> century addition to the rear of 86 Duke Street has been inserted. It is two storeys in height and sits on top of an earlier brick built extension to 86 Duke Street. These additions are located in the area which was occupied by the semi-circular bay seen in the historic map sequence until 1908.

- 4.9 The westernmost building fronting Henry Street is first shown on the 1847 map. It later served as part of the Vinegar Works shown on the 1890 map. The surviving remnant of the frontage, however, indicates that this was built as a commercial warehouse, and is recorded as being one of a pair of matching warehouses that existed as late as 1975.<sup>3</sup>
- 4.10 The building has lost its upper storeys, but examination of the fabric, the fact that the rear elevation of Arena House, the Duke Street building that it backs onto has been rendered, and comparison with other warehouses in the area suggests that it was originally five or possibly six storeys high. Another typical six storey Henry Street warehouse is shown below as a comparison.



*Existing Vinegar Warehouse*

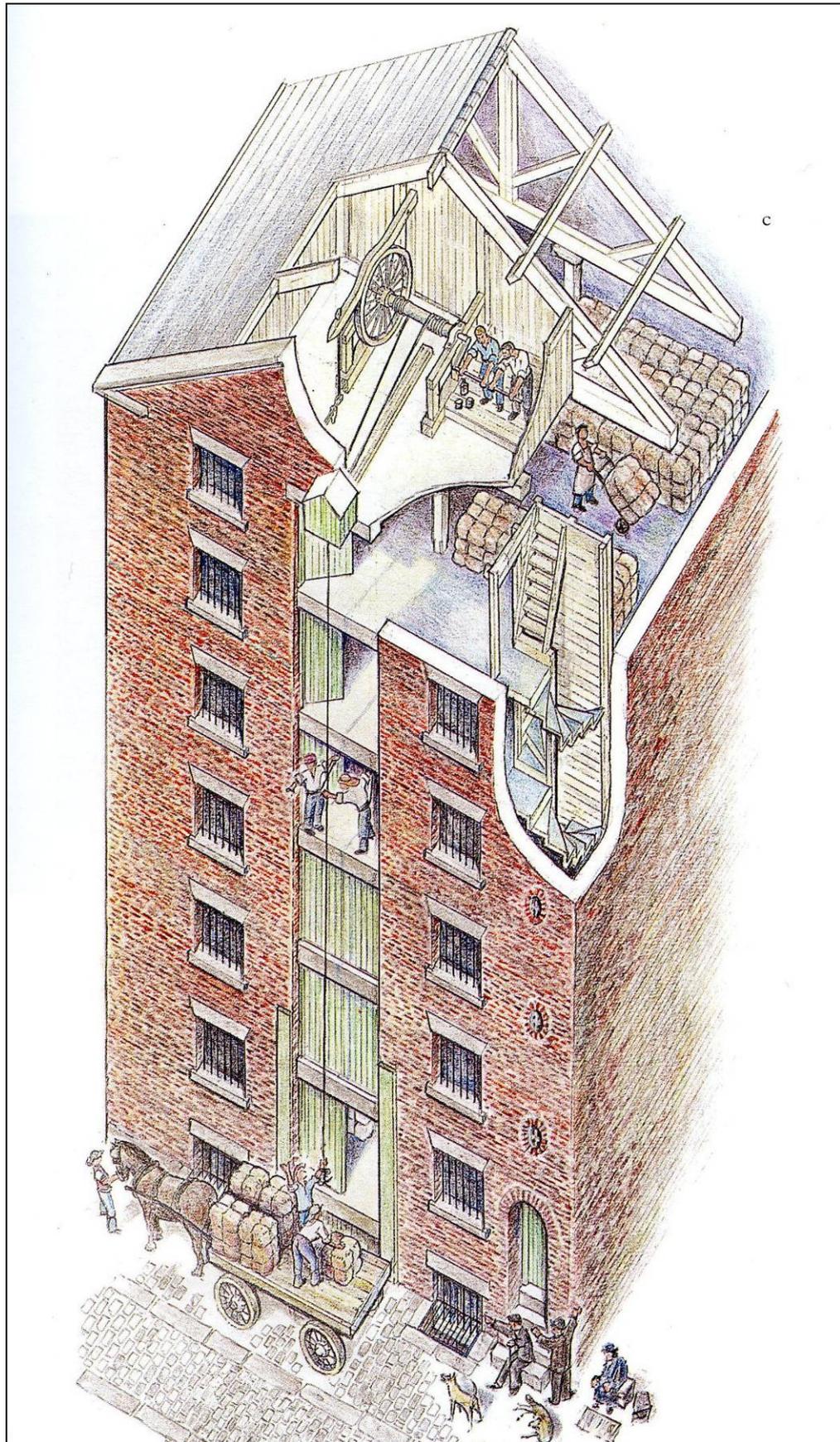


*Another typical Henry Street warehouse*

- 4.11 The building is typical of early 19<sup>th</sup> century warehouses, which were severe and plain in character.<sup>4</sup> Stone is used for sills, and lintels are brick. The top most floor would have been gabled, simply reflecting the roof form end on to the street, and unlike the Duke Street buildings, no attempt was made in the case of warehouse structures of this kind to imitate a pediment.
- 4.12 The loading bay has double leaf iron loading doors on each floor, and at the top there would have been a projecting hoist beam. To the right is a narrow pedestrian doorway leading to a staircase with small windows at each half landing. The floors would have been of timber with heavy square section cross beams supporting joists, the latter usually laid on to the upper section of beams rather than fully jointed into them. The roof would probably have been supported on king post trusses, possibly with additional bracing. The hoist would have been manually powered.

<sup>3</sup> Survey of Warehouses in Liverpool, *Liverpool Heritage Bureau*, 1975 (survey carried out by Peter de Figueiredo)

<sup>4</sup> Colum Giles and Bob Hawkins, *Storehouses of Empire*, 2004



46 Henry Street reconstruction showing hoist and storage process (English Heritage)

- 4.13 It is not known what goods were originally stored in the building, but the Directories show that by 1862 it was part of Thomas Inven's soap works. In 1871 it was in use for spices, and in 1891 for vinegar. In 1901 wines and spirits were stored in the building, and in 1925 it was used for storing paper. By 1941 it was a fireplace workshop, the last recorded use being in 1952.

***Interiors of Nos. 86, 88 and 90 Duke Street***

- 4.14 In the post war period, Nos. 86, 88 and 90 were amalgamated as a single commercial property and significant changes were made to the interiors. An internal survey carried out in 2005 by Tweed Nuttall Warburton stated that 'much of the structure behind the fronts of 88-90 is so dilapidated or changed that only the walls can be adapted for further use...and that the roofs, floors and staircases will need to be fully replaced and tied into the remaining walls.' No. 86 was found to be in slightly better condition due to the roof remaining generally watertight. Even in 2005, the properties were in a dangerous state, and only a partial survey could be undertaken. Over the following eight years their condition has become considerably worse.
- 4.15 The 2005 survey shows that No 86 originally had two rooms per floor, one facing onto Duke Street, and the other to the rear, separated by a central dog-leg staircase. The front ground floor room retained some sections of original plaster cornice and timber skirting, but the fireplace and internal doors had been removed, and modern partitioning had been installed. The rear ground floor room had no features of interest. The late 18<sup>th</sup> century staircase partially survived, but most of the balusters and the handrail had been lost. The upper floors contained no features of interest. There is an attic in which the purlin and rafter roof structure could be seen. It is assumed that the original main entrance led into the staircase hall at ground floor level, possibly from external steps, but no trace of this remained, and the building now only has external access to a metal fire escape.
- 4.16 Nos. 88 and 90 were joined and the interiors substantially altered when the building was converted to a public house in the mid/late 19<sup>th</sup> century. At this time the individual staircases were removed from both properties and replaced with a plain staircase within No. 90. The main public bar appears to have been situated in No. 88, and has a frontage window with cast iron mullions. In 2005 some original plaster cornicing survived at ground floor level, and there was a downstand beam, presumably installed after the two buildings were joined together, encased in plaster. The entrance lobby was paved in decorative tiles, and an archway led to the back rooms. The survey photographs show that the Victorian staircase was in a very dilapidated condition, and had lost its balustrade. This continued up to second floor level, but was in a state of collapse. No other features of interest were visible.

## 5. STATEMENT OF SIGNIFICANCE

### 5.1 Statutory Designation

- 5.1.1 There are no listed buildings or scheduled ancient monuments within the proposed development site, but the site is located within the Duke Street Conservation Area and the Liverpool World Heritage Site.

### 5.2 Identification of Cultural Significance

- 5.2.1 In 2008 English Heritage published '*Conservation Principles*', which identified four principle heritage values which should be taken into account when assessing significance and which can be used to amplify the assessments in the lists. These values are *Evidential*, deriving from the potential of a place to yield evidence about past activity; *Historical*, deriving from the ways in which people, events and aspects of past life can be connected through a place to the present; *Aesthetic*, deriving from the ways in which people draw sensory and intellectual stimulation from a place; and *Communal*, deriving from the meaning of a place for the people who relate to it, or for whom it figures in their collective experience and memory. The following assessment adopts these heritage values:

#### Evidential Value:

- 5.2.2 The buildings currently standing on the site date from the late 18<sup>th</sup> century to the mid 20<sup>th</sup> century. Map regression and documentary research provides evidence relating to the changes in usage and development over that period. Before the 18<sup>th</sup> century, the site was in agricultural use. Its development was part of the early expansion of the city across the pool and accompanied the rapid growth in trade that took place in the 18<sup>th</sup> and 19<sup>th</sup> centuries. During the second half of the 20<sup>th</sup> century, the Ropewalks area went into rapid decline, and the buildings at 86-90 Duke Street have been vacant and derelict for several decades.

#### Historic and Architectural Value:

- 5.2.3 The existing buildings are characteristic of the high density mix of residential and employment uses which sprung up in the area during the economic boom in the 18<sup>th</sup> and 19<sup>th</sup> centuries. 86-90 Duke Street were erected as merchants' houses, but were later adapted for warehousing, retail and public house use. The extensions at the back of these premises relate to their later uses. The minor buildings on the corner of Suffolk Street and Henry Street are the result of adaptations to what were workshops or retail units. The western property on Henry Street which survives in ruinous condition was erected as a warehouse, and later formed part of a vinegar manufacturing plant.

5.2.4 None of these buildings survives in original condition:

- 86 Duke Street, which is the earliest survival, retains its late 18<sup>th</sup> century gable-ended elevation to Duke Street and some blocked window openings to the alleyway alongside. The front elevation is plain but well-proportioned. The building has lost its rear section, and the original entrance and curved bay (probably its most interesting features) were removed after 1847. The original plan of the building can still be understood, but the interior contains little of interest, apart from remnants of a late 18<sup>th</sup> century staircase.
- Nos. 88-90 suffered major re-modelling in the 1860s when the building was converted to a public house. The front was re-faced, rear extensions were added, and the interior of both former dwellings was substantially altered. The demolition of 90A in the late 20<sup>th</sup> century left an incoherent frontage, with only one and a half pediments. As a result little of the original fabric remains, and what does is in such poor condition that it could not be refurbished without substantial reconstruction.
- The buildings at the corner of Suffolk Street and Henry Street have been largely rebuilt in the 20<sup>th</sup> century, and retain little original fabric.
- The warehouse on Henry Street has lost its upper floors, its roof and all its floors, so that all that survives is a fragment of the narrow street elevation and the side external walls. However, it remains a significant relic of one of the many warehouses which lined the streets of the area and contributed to the economic life of the city.

Aesthetic Value:

- 5.2.5 The main aesthetic contribution made by the buildings on the site is the late 19<sup>th</sup> century pedimented elevation of 86-90 Duke Street. No. 86 presents a gabled elevation which is substantially original, though this was never the front elevation. It is plain in character, warehouse-like in appearance, and has no significant Georgian decorative features. The adjoining pedimented group of three original houses, which also dates from c.1800, lost its aesthetic coherence as a Georgian composition when no. 90A was demolished in the late 20<sup>th</sup> century. Its character had already been compromised by the eclectic and clumsy stucco moulded re-facing it received when the building became a public house around 1860.
- 5.2.6 In view of the dilapidated condition and altered state of 88 and 90, their interiors are of negligible aesthetic value. The interior of 86 is in slightly better condition, but only remnants of the staircase are of any significance.
- 5.2.7 The buildings at the corner of Suffolk Street and Henry Street are of no aesthetic interest.
- 5.2.8 In spite of the loss of most of its original fabric, the frontage of the Henry Street warehouse retains sufficient of its robust character as a commercial warehouse of the early 19<sup>th</sup> century to make an aesthetic contribution.

#### Communal Value:

- 5.2.9 The site is representative of the economic and social structure of Liverpool in the 18<sup>th</sup>, 19<sup>th</sup> and early 20<sup>th</sup> centuries when the Duke Street area made a significant contribution to the mercantile life of the city and its port.
- 5.2.10 The potential for re-use of the site is a key element in the regeneration of the Rope Walks area, which suffered chronic decline in the late 20<sup>th</sup> century, but is now undergoing creative revival.

#### Features of Significance

- 5.2.11 The features of significance that contribute to the character or appearance of the Duke Street Conservation Area are as follows:
- Association with the growth of the port and the early expansion of Liverpool
  - Historic associations with the city's merchant class
  - Historical mix of residential, commercial, retail and leisure uses in a dense pattern of development
  - Changing plot divisions, originally the site of a large brewery, then later subdivided and developed for different functions.
  - Surviving 18<sup>th</sup> century elevation of 86 Duke Street
  - Fragmentary survival of early 19<sup>th</sup> century Henry Street warehouse elevation
- 5.2.12 Regarding the existing buildings, only the following features have material significance:
- The 18<sup>th</sup> century front and side elevations of 86 Duke Street
  - The early 19<sup>th</sup> century Henry Street warehouse frontage
- These two buildings make a low to medium contribution to the character and appearance of the conservation area and the World Heritage Site by virtue of their age, form and aesthetic interest.
- 5.2.13 Features of more limited interest are the survival of the altered 88-90 Duke Street elevation, which make a minor contribution to the character and appearance of the conservation area.
- 5.2.14 Negative features are the poor quality extensions and alterations made to the site and buildings in the 20<sup>th</sup> century, and its general state of dereliction.

## 6 HERITAGE PLANNING CONTEXT

### 6.1 National Planning Policy and Guidance

#### *Planning (Listed Buildings and Conservation Areas) Act 1990*

- 6.1.1 Statutory protection for built heritage is principally provided by the Planning (Listed Buildings and Conservation Areas) Act 1990.

#### *National Planning Policy Framework*

#### *PPS5 Planning for the Historic Environment: Historic Environment Planning Practice Guide*

- 6.1.2 Historic Environment Policies included in the National Planning Policy Framework (March 2012) replace Planning Policy Statement 5 (PPS5). The Historic Environment Planning Practice Guide, which accompanied PPS5, remains in place as national guidance until it is replaced, though it should be read in the light of the NPPF, and does not comprise policy.
- 6.1.3 The NPPF states that the purpose of the planning system is to contribute to the achievement of sustainable development. The Government sees three dimensions to sustainable development: economic, social and environmental, and these roles should be regarded as mutually dependent. Economic growth can secure higher social and environmental standards, and well-designed buildings and places can improve the lives of people and communities. The planning system is therefore expected to play an active role in guiding development to sustainable solutions. Policies 126-141 are related to conserving and enhancing the historic environment.
- 6.1.4 The NPPF defines the significance of a heritage asset as its value *‘to this and future generations because of its heritage interest. That interest may be archaeological, architectural, artistic or historic. Significance derives not only from a heritage asset’s physical presence, but also from its setting.’* As with PPS5, the NPPF provides a unified approach to the historic environment and removes the previous distinctions between historic buildings, archaeology and designed landscapes. It defines the historic environment in terms of *“heritage assets.”*
- 6.1.5 Paragraphs 128 and 129 of the NPPF require planning applicants and local planning authorities to assess the significance of any heritage assets affected, including any contribution made by their setting. The level of detail should be appropriate to the assets’ importance and no more than sufficient to understand the potential impact of the proposal on their significance. Local planning authorities should take this assessment into account when the potential impact of proposed development to avoid or minimise conflict between the heritage asset’s conservation and any aspect of the proposal.

- 6.1.6 Paragraph 130 of the NPPF states that where there is evidence of deliberate neglect of or damage to a heritage asset the deteriorated state of the heritage asset should not be taken into account in any decision.
- 6.1.7 Paragraph 131 states that local planning authorities should take account of the desirability of new development sustaining and enhancing the significance of heritage assets; the positive contribution that heritage assets can make to sustainable communities; and the desirability of new development making a positive contribution to local character and distinctiveness.
- 6.1.8 Paragraph 132 sets out policy principles guiding the consideration of impact of development on the significance of a designated heritage asset. The more important the asset, the greater the weight should be given to the asset's conservation. Any harm to or loss should require clear or convincing justification.
- 6.1.9 Paragraph 133 provides a series of tests which should be applied in cases where substantial harm to or total loss of significance will be caused. In the case of development proposals which will lead to less than substantial harm, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.
- 6.1.10 Paragraph 134 states that where a development proposal will lead to less than substantial harm to the significance of a heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum viable use.
- 6.1.11 Paragraph 137 states that local authorities should look for opportunities for new development within Conservation Areas and within the setting of heritage assets to enhance or better reveal their significance. Proposals that preserve those elements of the setting that make a positive contribution to or better reveal the significance of the asset should be treated favourably.
- 6.1.12 Paragraph 138 states that all elements of a World Heritage Site or Conservation Area will necessarily contribute to its significance. Loss of a building (or other element) which makes a positive contribution to the significance of the Conservation Area or World Heritage Site should be treated either as substantial harm under paragraph 133 or less than substantial harm under paragraph 134, as appropriate, taking into account the relative significance of the element affected and its contribution to the significance of the Conservation Area or the World Heritage Site as a whole.
- 6.1.13 Policy 141 states that local planning authorities should make information about the significance of the historic environment gathered as part of the development process publicly accessible, and should require developers to record and advance understanding of the heritage asset before it is lost.

- 6.1.14 Section 5 of the Historic Environment Planning Practice Guide provides generic guidance on decision making for changes that affect the historic environment. Paragraphs 55-57 state that understanding both the *nature of the significance* and the *level of importance* are fundamental to decision making, and set out the most common steps that a planning applicant may be expected to carry out assessing significance.
- 6.1.15 Paragraphs 76-78 give guidance to local authorities on weighing up proposals for development. These should take account of potential heritage benefits and any other material planning considerations that would arise as a result of development proceeding.
- 6.1.16 Paragraph 80 stresses the need to assess the extent to which the design of new development contributes positively to the character, distinctiveness and significance of the historic environment.

***Conservation Principles: Policy and Guidance (English Heritage) 2008***

- 6.1.17 The English Heritage document *Conservation Principles: Policies and Guidance for the Sustainable Management of the Historic Environment* is intended to guide conservation thinking and practice in England. It defines conservation as managing change in ways that will sustain the significance of places, for change in the historic environment is inevitable, whether caused by natural processes, through use or by people responding to social, economic and technological advances.
- 6.1.18 If the significance of a place is to be retained and its historic value sympathetically managed, further change will inevitably be needed. Development need not devalue the significance of the place, both its tangible values, such as historic fabric, or its associational values, such as its place within the landscape, provided the work is done with understanding.
- 6.1.19 The English Heritage *Principles* state that retaining the authenticity of a place is not always achieved by retaining as much of the existing fabric as is technically possible (paragraph 93). Where deliberate changes are made, however, the alteration should in some way be discernable. Integrity likewise depends on an understanding of the values of the heritage asset.
- 6.1.20 The *Principles* state that new work or alteration to a significant place should normally be acceptable if:
- There is sufficient information comprehensively to understand the impacts of the proposal on the significance of the place;
  - The proposal would not materially harm the values of the place, which, where appropriate, would be reinforced or further revealed;
  - The proposals aspire to a quality of design and execution which may be valued now and in the future;

- The long-term consequences of the proposals can, from experience, be demonstrated to be benign, or the proposals are designed not to prejudice alternative solutions in the future.

6.1.21 The *Principles* state that there are no simple rules for achieving design quality in new work, which could involve working in a traditional or a contemporary manner. The important factor is to respect the values established through an assessment of the significance of the building and its setting.

6.1.22 It is also suggested that features of lesser significance offer opportunities to create heritage values of tomorrow, which can be achieved if the quality of the new work is of a high standard of design, materials, detailing and execution.

## 6.2 **Local Policy and Guidance**

### ***Liverpool Unitary Development Plan Saved Policies***

#### *Policy HD8: Preservation and Enhancement of Conservation Areas*

6.2.1 The policy states that:

*The City Council will take positive action to secure the preservation or enhancement of conservation areas and will:*

- i. seek support and funding from all available sources for the repair of buildings and environmental improvements;*
- ii. prepare action plans for priority areas;*
- iii. use its available powers to secure the removal of features which significantly detract from the character of the area; and*
- iv. provide planning guidance and advice to owners and developers.*

#### *Policy HD9: Demolition of Buildings in Conservation Areas*

6.2.2 1. *There will be a presumption in favour of the preservation of any building, part of a building or structure in a conservation area which makes a positive contribution to the character or appearance of the conservation area.*

2. *The City Council will consider proposals for the demolition of any building or structure which makes a positive contribution to the character or appearance of the conservation area against the following criteria:*

- i. the importance of the building, its intrinsic architectural and historic interest and its contribution to the character or appearance of the conservation area;*
- ii. the condition of the building and the cost of repairing or maintaining it;*
- iii. the adequacy of the efforts made to retain the building in use; and*
- iv. the contribution of any new proposal to the character and appearance of the conservation area.*

3. *Applications must be accompanied by all the information necessary to judge the application against the above criteria, including fully detailed plans for the redevelopment.*

4. *Where a building makes little or no contribution to the character of the conservation area, proposals for demolition will be considered in the light of*

*the alternative proposals for the site and the contribution made to preserving or enhancing the character of the conservation area.*

*5. Where appropriate, the City Council will not grant consent for demolition unless there are approved detailed plans and evidence that a contract has been let for the full implementation of the development scheme.*

*Policy HD10: Alteration of non-listed buildings in conservation areas*

6.2.3 *1. Consent will not be granted for:*

*i. changes of use, extensions, external alterations or any other works which adversely affect the overall character and appearance of the conservation area; or*

*ii. applications for any works which are not fully justified and accompanied by the full information necessary to assess the impact of the proposals on the conservation area.*

*2. In considering proposals for the alteration, extension or conversion of non-listed buildings in a conservation area, special attention will be paid to the following:*

*i. the retention, replacement and restoration of historic features and details of buildings, including windows, roofing materials, garden or forecourt features and boundary walls;*

*ii. the detailed design of proposed extensions or conversions in relation to the original building with respect to proportion, materials, construction details and its effect on the setting of the building and its surroundings; and*

*iii. the effect of introducing new uses into a conservation area in terms of parking and servicing arrangements and the detailed design of such arrangements.*

*Policy HD11: New Development in Conservation Areas*

6.2.4 *1. Planning permission will not be granted for:*

*i. development in a conservation area which fails to preserve or enhance its character; and*

*ii. applications which are not accompanied by the full information necessary to assess the impact of the proposals on the area, including all details of design, materials and landscaping.*

*2. Proposals for new development will be permitted having regard to the following criteria:*

*i. the development is of a high standard of design and materials, appropriate to their setting and context, which respect the character and appearance of the conservation area;*

*ii. the development pays special attention to conserving the essential elements which combine to give the area its special character and does not introduce changes which would detract from the character or appearance of the area;*

*iii. the proposal protects important views and vistas within, into and out of the conservation area;*

*iv. the proposal does not lead to the loss of open space or landscape features (trees and hedges) important to the character or appearance of the area;*

- v. *the development does not generate levels of traffic, parking, noise or environmental problems which would be detrimental to the character or appearance of the area; and*
- vi. *the proposal has a satisfactory means of access and provides for car parking in a way which is sympathetic to the appearance of the conservation area.*

**Policy HD18 General Design Requirements**

6.2.5 *When assessing proposals for new development, the City Council will require applications to comply with the following criteria, where appropriate, to ensure a high quality of design:*

1. *The scale, density and massing of the proposed development relate well to its locality*
2. *The development includes characteristics of local distinctiveness in terms of design, layout and materials*
3. *The building lines and layout of the development relate to those of the locality*
4. *External boundary and surface treatment is included as part of the development and is of a design and materials which relate well to its surroundings*
5. *All plant machinery and equipment are provided within the building envelope or at roof level as an integral part of the design*
6. *The development pays special attention to the views into and out of any adjoining green space, or area of Green Belt*
7. *The development has regard to and does not detract from the city's skyline, roofscape and local views within the city*
8. *The satisfactory development or redevelopment of adjoining land is not prejudiced*
9. *There is no severe loss of amenity or privacy to adjacent residents*
10. *In the case of temporary buildings, the development is of a suitable design and not in a prominent location*
11. *Adequate arrangements are made for the storage of refuse within the curtilage of the site and the provision of litter bins where appropriate*
12. *The exterior of the development incorporates materials to discourage graffiti*
13. *Adequate arrangements are made for pedestrian and vehicular access and for car parking*

***Liverpool World Heritage Site Supplementary Planning Document***

6.2.6 The SPD has been produced to provide detailed guidance for new development, regeneration and conservation in the WHS and its Buffer Zone. It is intended to supplement the existing "saved" UDP, and will deal with the management of the site, acting as a guide to future development in and

around the site and embodying the principles in the existing WHS Management Plan.

- 6.2.7 In addition to policies and guidance relating to the WHS as a whole, the document includes a section on the Lower Duke Street Area (Character Area 6). The Council's declared vision for this area is as follows:

*A distinctive and diverse quarter of the city, building on its history and its heritage, working towards Liverpool's new economic future.*

- 6.2.8 Paragraph 6.7.1 of the SPD states that the City Council is committed to delivering this vision in conjunction with its public and private sector partners. The Creative Ropewalks initiative and the Townscape Heritage Initiative for Buildings at Risk in the World Heritage Site and Buffer Zone have been established as vehicles for delivering this vision.

***Ropewalks Supplementary Planning Document***

- 6.2.9 The Ropewalks SPD sets out the vision for the area, which aims to demonstrate that its future development will be based upon sensitive restoration, contemporary design and the development of the diverse economy.

## **7 THE PROPOSAL**

- 7.1 It is proposed to develop the site for Grade A office space over four levels for a defined end user, an international company which requires 40,000 sq. ft. flexible space complying with British Council for Office guidelines, with air conditioned large plan open floor plates having a minimum floor to ceiling height of 2.7m and in full accordance with Institutional Standards.
- 7.2 The final scheme was developed during an extensive pre-application consultation process with helpful advice from Liverpool City Council. It is described in the Design and Access Statement accompanying the planning application. The scheme involves the retention of the Henry façade of the former Vinegar Warehouse, but the replacement of all the other existing buildings on the site.
- 7.3 The architectural principles adopted in the preparation of the scheme have included:
- Creation of new dynamic frontages to enhance and respect the streetscape of Duke Street, Suffolk Street and Henry Street
  - Respecting the historic architecture of the retained façade to Henry Street with the use of simple crisp materials and detailing
  - Respecting the massing of adjoining and adjacent developments
  - Reducing amounts of glazing to accommodate revisions in building legislation and to achieve BREEAM 'Excellent' standards
  - Retention of existing building structure between Frenson Building and Henry Street
  - Single level massing to respect the Duke Street frontage
- 7.4 The impact of the proposed development on the significance and setting of the Duke Street Conservation Area and the World Heritage Site is considered in the following Heritage Impact Assessment.

## **8 HERITAGE IMPACT ASSESSMENT**

### **8.1 Assessing Impact on Significance**

8.1.1 Paragraph 128 of the NPPF states that in determining applications, local planning authorities should require an applicant to describe the significance of any heritage assets affected, including any contribution to their setting. Paragraph 129 requires that local planning authorities should take any assessment of significance into account when considering the impact of a proposal on a heritage asset to avoid or minimise conflict between the heritage asset's conservation and any aspect of the proposal.

8.1.2 A detailed analysis of the significance of the proposed development site is set out in this report. It demonstrates that the principal features of significance that contribute to the character or appearance of the Duke Street Conservation Area and the World Heritage Site are as follows:

- Association with the growth of the port and the early expansion of Liverpool
- Historic associations with the city's merchant class
- Historical mix of residential, commercial, retail and leisure uses in a dense pattern of development
- Changing plot divisions, originally the site of a large brewery, then later subdivided and developed for different functions.
- Surviving 18<sup>th</sup> century elevation of 86 Duke Street
- Fragmentary survival of early 19<sup>th</sup> century Henry Street warehouse elevation

8.1.3 Regarding the existing buildings, only the following features have material significance:

- The 18<sup>th</sup> century front and side elevations of 86 Duke Street
- The early 19<sup>th</sup> century Henry Street warehouse frontage

These two buildings make a low to medium contribution to the character and appearance of the conservation area and the World Heritage Site by virtue of their age, form and aesthetic interest.

8.1.4 Features of more limited interest are the survival of the altered 88-90 Duke Street elevation, which make a modest contribution to the character and appearance of the conservation area.

8.1.5 Negative features are the poor quality extensions and alterations made to the site and buildings in the 20<sup>th</sup> century, and its general state of dereliction.

8.1.6 Taking account of the Statement of Significance and relevant policies of the NPPF, the impact of the proposal on the aspects of significance and setting of the heritage assets is considered below.

## 8.2 Impact on Historic Significance

- 8.2.1 The site was developed from the late 18<sup>th</sup> century in a number of stages, at first with a large brewery complex, and then after the site had been subdivided, with generally narrow plots fronting Duke Street, Suffolk Street and Henry Street. Uses were mixed, with predominantly residential properties on Duke Street and warehousing to Henry Street. Amalgamation of properties and plot boundaries occurred from the mid 19<sup>th</sup> century, accompanied by frequent changes of use, redevelopment of properties and extensions. These changes are recorded in Sections 2 and 3 of this report.
- 8.2.2 The proposal will introduce a substantial change by replacing a series of individual plots with a single building and thus affect the historic grain of the site. Although this will have an impact on historic character, from a historic perspective, it continues the process first of subdivision, then amalgamation and changes of plot boundaries that has taken place in the Ropewalks area since it was first developed, and which has produced the present variety of building types and sizes, which is a strong element of character.
- 8.2.3 The proposal will also affect the evidence of significant phases in the history of the area, which are currently displayed in the survival of 86 Duke Street, and to a lesser extent in the altered frontages of 88-90 Duke Street and in the ruined frontage of the Vinegar Warehouse. The majority of the site, however, is currently vacant, with no evidence of property boundaries, and will most effectively be developed in a single phase.
- 8.2.4 Thus considered in the context of Ropewalks area, where there is a substantial survival of 18<sup>th</sup> and early 19<sup>th</sup> century properties built for residential, commercial and warehousing use, still occupying their original plots, the increase in plot size and loss of evidence of past development will have a **moderate adverse** effect on the historic values of the Conservation Area and the World Heritage Site.

## 8.3 Impact on Architectural and Aesthetic Significance

### *Exterior of Properties*

- 8.3.1 The general appearance of the site is currently very poor, and is characterised by derelict buildings, vacancy and economic decline. The only buildings of aesthetic value are 86 Duke Street, which maintains its simple Georgian proportions and a number of original features, and the Vinegar Warehouse frontage which, even in its ruinous state, retains a muscular aesthetic. 88 and 90 Duke have been so adversely altered in the past that their innate character and integrity have been substantially lost.
- 8.3.2 The proposed development will result in the demolition of 86-90 Duke Street, although the frontage of the Vinegar Warehouse will be retained and conserved. Regeneration of the remainder of the site in the manner

proposed will have a substantially beneficial impact on the aesthetic appearance of the site.

- 8.3.3 Discounting the beneficial effects of redevelopment on the appearance of the site as a whole (which is discussed in more detail below), there will be a moderate harmful impact on the aesthetic values of the Conservation Area and the World Heritage Site as a result of the loss of 86 Duke Street. This, however, will be partly offset by the enhancement of the Vinegar Warehouse, leading to a **slight adverse** impact overall.

#### ***Interior of Properties***

- 8.3.4 The architectural and aesthetic value of the interiors of 86-90 Duke Street properties is negligible, as assessed in the statement of significance. The combined effects of past alterations, and catastrophic decay has left virtually no fabric of value remaining.
- 8.3.5 As a result, the impact of the proposed development on the architectural and aesthetic significance of the interiors will be **neutral**.

### **8.4 Impact on Setting of the Conservation Area**

- 8.4.1 The NPPF defines the setting of a heritage asset as ‘the surroundings in which [the asset] is experienced. Its extent is not fixed and may change as the asset and its surroundings evolve. Elements of a setting may make a positive or negative contribution to the significance of an asset, may affect the ability to appreciate that significance or may be neutral’. English Heritage guidance *The Setting of Heritage Assets*, 2011 is intended to assist the assessment of impact on setting. The heritage asset in this case is the Duke Street Conservation Area and the World Heritage Site.
- 8.4.2 As stated in the English Heritage guidance, the contribution of setting to the significance of a heritage asset is often expressed by reference to views. Some views may contribute more to understanding significance than others.
- 8.4.3 Viewed from Duke Street, the frontage of 86 Duke Street, and to a lesser extent those of 88-90 Duke Street, make a positive contribution to the setting of the conservation area. In historical terms, these buildings are an integral part of the area, and therefore play a role in understanding how the Ropewalks was developed and functioned. In architectural terms, they relate to the rhythms and proportions of other surviving late 18<sup>th</sup> and early 19<sup>th</sup> century properties which are characteristic of the area, and particularly to the Grade II listed Monro House on the opposite corner of Suffolk Street and 92-94 Duke Street which adjoin it. 120-124 Duke Street are also Grade II listed Georgian properties, and provide context to the development site. The buildings running north west down Duke Street, however are mixed, and their context is not strongly defined.

- 8.4.4 Directly opposite the site on the corner of Duke Street and Slater Street is the former Union News Rooms, with its handsome but severe ashlar-faced institutional facade designed by John Foster and erected in 1800. It was adapted in 1852 as Liverpool's first public library, and later became offices. In 1990 the block was demolished and rebuilt behind the street facades. Forming a single large block, this building is of a very different character to the existing frontages of 86-90 Duke Street, and is evidence of the large scale of development that took place in the area as early as 1800.
- 8.4.5 The frontage of the Vinegar Warehouse is characteristic of the warehouse architecture that gives Henry Street its distinctive appearance.
- 8.4.6 In developing the design of the proposed development, careful thought has been given to its form and character so as to respect the historic context of the area and the immediate surroundings. This is achieved in the following ways:
- The height and scale of the new building matches that of surrounding buildings.
  - The differing character of Duke Street and Henry Street, each with its own defined typologies is reflected in the different rhythms and proportions of the front and rear facades of the proposed development. The Duke Street elevation picks up the balance of vertical and horizontal elements seen in the Georgian residential properties, while the Henry Street elevation is more robust and has a greater vertical emphasis. The Suffolk Street elevation forms an intermediate facade, which also has a strong corner treatment to Duke Street.
  - Although the three elevations are treated differently, a common language is used to unite the development and give it aesthetic coherence.
  - The ground floor treatment to Duke Street is emphasised so as to create a plinth on which the upper floors are placed, reflecting the traditional hierarchy of elevational proportions.
  - The horizontal spandrels to the vertical window strips are detailed to provide a subtle articulation of the frontage and give balance to the vertical and horizontal forces.
  - The Suffolk Street elevation is given a distinctive character by the introduction of openings with deeply splayed recesses which will provide depth to the facade when seen obliquely within the narrow street.
  - The treatment of the retained frontage of the Vinegar Warehouse respects its present state of survival, and the neutral character of the adjoining wall surfaces will create a sympathetic frame.
  - The simple palette of materials used in the design matches those that are commonly found within the area.

8.4.7 The impact of demolition and redevelopment on the setting of the conservation area as defined above will be both negative and positive. The loss of existing buildings will mean that it will be less easy to appreciate the historical form of the area, but the replacement development, which is sympathetic in design to the character and setting of the area, will continue the historical process of renewal. It will also enhance understanding of the functional and technological character of the Ropewalks, which is a principal aspect of significance, as encouraged in paragraph 137 of the NPPF.

8.4.8 As a result of both positive and negative effects, the cumulative impact on the setting of the conservation area and the World Heritage Site will be **neutral**.

## **8.5 Overall Impact on Significance**

8.5.1 Considered overall, there will be a **moderate/slight adverse** impact of the proposals on the significance of heritage assets.

## 9 ASSESSMENT OF PROPOSED DEVELOPMENT AGAINST POLICY CRITERIA IN NPPF

### 9.1 Policy Context

9.1.1 The heritage impact assessment set out above has identified a moderate/slight adverse impact on the significance of the Duke Street Conservation Area and the World Heritage Site. In accordance with the principles in paragraph 132 of the NPPF, this might conceivably be classified as either 'substantial' or 'less than substantial' harm (although no definition is provided as to what constitutes 'substantial' in such circumstances). A stronger justification is required in the case of 'substantial harm' than 'less than substantial harm' as stated in paragraphs 133 and 134 of the NPPF.

9.1.2 Paragraph 133 of the NPPF states that *'where a proposed development will lead to substantial harm to or total loss of significance of a designated heritage asset, local planning authorities should refuse consent, unless it can be demonstrated that the substantial harm or loss is necessary to achieve substantial public benefits that outweigh that harm, or that all of the following apply:*

*(i) The nature of the heritage asset prevents all reasonable uses of the site; and*

*(ii) No viable use of the heritage asset itself can be found in the medium term through appropriate marketing that will enable its conservation; and*

*(iii) Conservation by grant-funding or some form of charitable or public ownership is demonstrably not possible; and*

*(iv) The harm or loss is outweighed by the benefit of bringing the site back into use.'*

9.1.3 Paragraph 134 of the NPPF states that *'Where a development proposal will lead to less than substantial harm to the significance of a designated heritage asset, this harm should be weighed against the public benefits of the proposal, including securing its optimum use'*.

9.1.4 Although it is debateable whether the proposed scheme can be considered to cause substantial harm to the significance of the conservation area and the WHS **as a whole** (as required by paragraph 138 of the NPPF), in order to fulfil the specific obligations of the NPPF, an assessment against the four criteria set out in paragraph 133 has been undertaken. This is summarised below.

### 9.2 NPPF Paragraph 133 (i): The nature of the heritage asset prevents all reasonable uses of the site

#### Suitability of conversion of existing buildings

9.2.1 There has been general recognition for some years that the poor condition of Nos. 86-90 Duke Street and their physical form makes them unsuitable for

commercial use. This was the view of English Partnerships (EP) and Liverpool Vision when it marketed the site as part of a development competition in the autumn of 2003, and it was also recognised in the Council's planning committee report dated 15 November 2005 relating to the consented mixed use scheme. Since being chosen as preferred developer in the design competition, Langtree has explored a series of alternative proposals for the site in an effort to identify a means of retaining and re-using the existing buildings.

- 9.2.2 The initial proposal, which was the basis on which Langtree was chosen, comprised a mixed-use development including apartments, managed office space, traditional offices and studio office space, based on refurbishment and new build. The accommodation was not Grade A office space and the office space had a floor to floor height of only 3 m.
- 9.2.3 This scheme was granted planning permission and listed building consent in 2005, but the transfer of land to EP from its previous owner Frensons revealed a development restriction relating to rights of light that appeared to prohibit the consented proposal for mixed use development. At a subsequent meeting with Liverpool Vision and Liverpool City Council, it was agreed that the approved scheme could not be implemented, and deletion of the residential component and pursuit of an employment only scheme was accepted as the only viable option.
- 9.2.4 An alternative B1 office use was then proposed, and a total of 15 alternative options have subsequently been prepared by DLA Architecture for Langtree Group since 2007, some of which have sought to incorporate and reuse the existing buildings. This involved working closely with the Council to explore every alternative to establish a viable option to bring these redundant buildings back into use. Detailed appraisals carried out on six of the options to establish viability were scrutinised by EP, Liverpool Vision and LCC and their consultants, following which the Council confirmed that they would accept the case for the loss of the Duke Street buildings subject to a detailed justification submitted with any application. A full appraisal of each individual option considered as part of this process is contained in **Appendix 10** which is separately bound. During the process, both LCC and English Heritage recognised that the Vinegar Warehouse was the historic building of greatest significance on the site.
- 9.2.5 In summary these appraisals demonstrated that the viability of the original scheme depended on the delivery of 25 apartments, including 4 duplexes and 3 townhouses, a 22,000 sq ft managed office facility, 4,300 sq ft of self-contained offices and 3,000 sq ft of workspace studios. The scheme produced a (now historic) value of £12 m against a cost of £10.5 m delivering a profit to Langtree of 15% and a residual site value of £500,000 to EP. Later variations have had to scale down the amount of accommodation substantially, given the Rights of Light restrictions, which has led to a negative value for the

completed scheme. This negative effect is exacerbated due to the fact that a significant proportion of the site development costs are fixed and do not reduce proportionately as the size of the scheme reduces. It is also important to note that the financial viability of the original and subsequent schemes will now have deteriorated significantly due to changed market conditions. It remains clear that Grade A Office accommodation required by ACL on this site cannot be delivered as part of any scheme which seeks retention of any of the façade on Duke Street with new office buildings behind.

- 9.2.6 Indeed it is demonstrated that the current planning application scheme requires gap funding of £2.4 million, which sets any proposal to retain, repair and adapt the existing buildings in context. Without this committed end user, this site would remain vacant and redundant and continue to blight this part of Duke Street and the Ropewalks area of the city.
- 9.2.7 A chronology of events during the period since Langtree was chosen as the preferred developer to the present time, which is attached to this report as **Appendix 2**, provides conclusive evidence that every possible option to secure a viable future for the Duke Street buildings has been actively pursued.

*Structural condition of existing buildings*

- 9.2.8 Further evidence relating to the unsuitable nature of the existing buildings is contained in the structural reports which examine the feasibility and cost of retention. A number of reports on the condition of the buildings have been produced since 2009 (Roger Hetherington & Associates, February 2009; LCC Building at Risk Survey, November 2009; Arup Site Survey, August 2010; Roger Hetherington & Associates, November 2012; RSK Environmental Ltd, January 2013). A review of these reports has recently been carried out by Arup and confirms that the exceptionally poor condition of the buildings makes them incapable of economic repair. A copy of the Arup structural report is attached as **Appendix 3**.

**9.3 NPPF Paragraph 133 (ii): No viable use of the heritage asset itself can be found in the medium term through appropriate marketing that will enable its conservation**

- 9.3.1 Before the site was acquired by EP in 2002, it was vacant and redundant. EP acquired it to facilitate regeneration of the Ropewalks area. The marketing process adopted for the original design competition in 2003 is set out in **Appendix 4** of this report. This shows that EP and Liverpool Vision began marketing the site for development in the local and national press in May 2003 and appointed Jones Lang LaSalle to aid in the completion of a development brief. This was launched in September 2003 and a wider marketing campaign by JLL followed. The brief stated that there was a presumption in favour of retaining some of the existing buildings on site, in particular the Duke Street frontage to a depth of 10m. The Langtree scheme

was considered the most successful in response to the guidelines set out in the development brief.

9.3.2 Circumstances changed when it was revealed that the Right to Lights issue severely restricted the nature and extent of development, and it was agreed with the Council that an employment only scheme represented the best development option.

9.3.3 Since Langtree signed the Development Agreement in 2006, they have marketed the site. Marketing boards and signage were erected on the site and the development opportunity was included on Langtree's website. Keppie Massie was identified as agent on the site marketing board. An advertisement was also placed in 'Your Move' at the end of January 2006 identifying 'Off Plan' opportunities for apartments with some 20 enquiries received. Marketing of the site was undertaken in parallel with the detailed options appraisal carried out in conjunction with the Council during 2007-08. Although the project was placed in abeyance in 2006 due to the problems encountered with the Frensons Right to Light issues, the site continued to be actively marketed. In spite of this, there was a lack of any significant interest either in the consented mixed-use scheme or in any other of the options that were prepared.

9.3.4 In October 2008, Langtree received an approach from Atlantic Container Line UK Ltd (ACL) for a 40,000 sq ft net Grade A office based scheme in Liverpool on a freehold basis, of which they would occupy 50% of the space to suit their expansion requirements. ACL has been unable to satisfy this requirement within the city centre market, and has now entered into an agreement with Langtree for the development of bespoke office premises at 86-90 Duke Street.

9.3.5 The evidence of open marketing of the site over a number of years shows that genuine efforts have been made by both EP and more recently by Langtree to secure development of the site and to retain the Duke Street frontage buildings. The marketing has confirmed that, with the exception of ACL's approach, during the whole 10 year period no genuine interest in the site has been shown and no viable use has been found for the existing Duke Street buildings.

#### **9.4 NPPF Paragraph 133 (iii): Conservation by grant-funding or some form of charitable or public ownership is demonstrably not possible**

9.4.1 The application scheme is based on providing 40,000 sq ft Grade A offices for ACL on a freehold basis. While the scheme responds to an active requirement from an identified buyer, the redevelopment of the site is not viable. The estimated cost of development is not supported by values in this location, which lacks an established Grade A office market. As a result, there is a funding gap of £2.4 million, and an application has accordingly been

submitted in response to a call under Priority 3 of the North West Competitiveness Programme for European Regional Development Fund (ERDF) grant support to address the identified viability gap.

- 9.4.2 In response to the requirements of ACL, the proposed scheme involves the full redevelopment of the site, allowing only for the retention of the Vinegar Warehouse facade. Reconfiguration of the proposals to allow for the retention of some or all of the existing Duke Street buildings would result in significant delay and would not enable the site to satisfy the requirements of ACL for Grade A offices. Any ERDF funding support secured in respect of the current proposal would also be lost. There is unlikely to be an opportunity to reapply on the basis of a revised scheme as the current ERDF programme closes in December 2013, and detailed proposals for its replacement have not been announced. The full details of the Langtree Group Plc ERDF application are contained in the separately bound **Appendix 5**, marked private and confidential.
- 9.4.3 In order to address the issue of alternative grant funding for the retention and refurbishment of the Duke Street buildings posed by Criterion (iii) of Paragraph 133 of the NPPF, a study of funding options has been commissioned from Amion Consulting, which forms **Appendix 6** to this report. The Amion study concludes that there would appear to be very few alternative funding options for the redevelopment of the existing premises at 86-90 Duke Street and where they exist, grant funding is dependent on demonstrating that the buildings are of significant historic or architectural importance.
- 9.4.4 The principal funding source for major capital investment projects involving heritage assets is the HLF. Securing HLF support in excess of £2 million will be dependent on developing a scheme that delivers 'people' and community outputs, alongside heritage outputs. Funding would also be dependent on establishing a long term strategy for the management of the premises. Further to this, it is likely that an application for such a grant would involve a two stage process which could take more than 24 months to complete, with no certainty of securing support. HLF funding is normally available only to charitable or not-for-profit organisations. At present, there is no Townscape Heritage Initiative funding scheme available in the Duke Street area.
- 9.4.5 Without secured funding in place, attracting private sector investment and end users is likely to prove extremely challenging, and may continue to act as a significant constraint to development.
- 9.4.6 In conclusion, Amion states that Langtree has explored the ability to secure alternative sources of funding to identify grant funding that may support the retention and continued conservation of the existing buildings in accordance with NPPF Paragraph 133 (iii), and indicates that securing such funding would prove extremely challenging. This position is also confirmed by the HCA in

their letter dated 8 March 2013 which expresses support for Langtree's proposals and hopes to be in a position to transfer ownership once planning permission and funding has been confirmed. It should be noted that the HCA also expresses the view that the opportunity presented by ACL to occupy space with the benefit of an ERDF grant is the only opportunity to secure the redevelopment of the site in such challenging economic times (see letter included in **Appendix 6**).

**9.5 NPPF Paragraph 133 (iv): The harm or loss is outweighed by the benefit of bringing the site back into use**

9.5.1 The proposed development site has been a regeneration priority for more than 20 years. In 1990, Liverpool City Council disposed of a number of assets in the Duke Street area, including the application site, to developer Charterhouse. Regeneration aspirations for the area foundered as Charterhouse went into receivership in 1992. The site was later acquired by the HCA (as EP) to facilitate regeneration, and Langtree was subsequently selected as preferred development partner. Previous proposals for the regeneration of the site have been constrained by viability issues, but now, through national and European funding support, there is an opportunity to deliver important economic and social benefits through the redevelopment of the site. Should the opportunity offered by ACL be lost, it is probably that the site would remain vacant for many years into the future.

9.5.2 The benefits offered by the proposed scheme area as follows:

- The proposal will bring an important area of vacant and redundant land and property back into productive use
- It will ensure regeneration of the site, and retention of a high profile local employer within the city, which is likely to lead to further employment growth, safeguarding 66 existing jobs and creating 153 new jobs at the UK level
- Without this committed end user, speculative funding and grant support will not be available for regeneration of the site, which will remain vacant, continuing to blight this part of the Duke Street Conservation Area and the World Heritage Site
- Grant of permission will generate further economic benefits via direct employment in construction and development and deliver other indirect employment opportunities
- The character and appearance of the site will be significantly enhanced through development, and the replacement building will act as a catalyst for further regeneration of the Ropewalks area, providing additional confidence as a location for occupation and investment

9.5.3 These benefits are considered to substantially outweigh any disbenefits associated with the loss of the existing buildings at 86-90 Duke Street.

**9.6 NPPF Paragraph 137: Local Planning authorities should look for opportunities for new development within Conservation Areas and World Heritage Sites and within the setting of heritage assets to enhance or better reveal their significance. Proposals that preserve those elements of the setting that make a positive contribution to or better reveal the significance of the asset should be treated favourably.**

9.6.1 This report has explained why it is not practically or economically feasible to retain the unlisted buildings on Duke Street within the development project. This does not, however, negate the opportunity for enhancement of the conservation area or for its significance to be better revealed. In its present state, the site detracts from the character and appearance of the conservation area, and has a negative impact on values associated with the World Heritage Site.

9.6.2 As a result of development, the site will be significantly enhanced, and the replacement building will act as a catalyst for further regeneration of the Ropewalks area. The building has been designed to respect the scale and massing of surrounding properties and to strengthen the townscape character of the adjoining streets. The Vinegar Warehouse will be conserved and given a dignified setting within the new development, and the quality of the public realm will be enhanced.

9.6.3 The prospective new owner of the building, ACL, is an international shipping company, and its occupation of the development, complementing the existing Bibby Line offices on the opposite side of Duke Street, will consolidate the historic links between the Ropewalks and maritime commerce in Liverpool. This will provide a new chapter in the development of the area, which will further reveal aspects of significance of the WHS.

**9.7 NPPF Paragraph 130: Where there is evidence of deliberate neglect of or damage to a heritage asset the deteriorated state of the heritage asset should not be taken into account in any decision**

9.7.1 Evidence set out in **Appendix 3** to this report confirms that following the completion of a Building Condition Survey Report by Liverpool Vision in 2009, a Schedule of Urgent Repairs to the Duke Street buildings was prepared in 2010. A timetable for the implementation of repairs was agreed and HCA subsequently undertook the works. A report was also prepared by RSK Environmental in January 2013 for the HCA to assess the stability of the flank wall of the building to the rear of 90 Duke Street. This has recommended remedial works which will be undertaken shortly. HCA has confirmed that its managing agent TEP is responsible for monthly inspections of the buildings, which has led to a series of maintenance and minor health and safety works being carried out. In addition, the site is included in the Merseyside landscape maintenance and cleansing operations to the surrounding lands.

9.7.2 In accordance with paragraph 130 of the NPPF, this provides evidence that the HCA has not in any way deliberately neglected the existing buildings.

## 10 OPTIONS ANALYSIS

### 10.1 Basis of the Options Analysis

10.1.1 Notwithstanding the detailed analysis of the proposals set out in Section 9 above in accordance with the NPPF criteria, the applicant has undertaken a comprehensive viability analysis of options to retain and reuse the buildings. The brief for this study was agreed with Liverpool City Council, and involves three options:

**Option 1:** Retention of 86 Duke Street and the Vinegar Warehouse and integration into a new office building. This is based on Option 12K prepared by DLA Architecture in 2007/08.

**Option 2:** Retention of 86 Duke Street and the Vinegar Warehouse and integration into a new office building behind, connected to the core. This is a new option requested by the Council's Conservation Team.

**Option 3:** Demolition of 86-90 Duke Street, retention of the Vinegar Warehouse and integration into a new office building. This is the subject of the current planning application.

10.1.2 The options analysis draws together data from the following evidence base:

- **ARUP Interpretative Structural Desk Top Study:** This study provides a review of all previous structural reports and photographic studies of the existing buildings, identifying any structural defects and recommends necessary remedial works were the buildings to be retained (**Appendix 3**).
- **DLA Architecture Options Study:** At the request of the Council's Conservation Team, the architectural feasibility of two alternative options for retention of 86 Duke Street and the Vinegar Warehouse has been considered alongside new build proposals, compared against the application proposals which only retain the Vinegar Warehouse (**Appendix 7**).
- **EC Harris Cost Analysis:** Project construction costs for the three options have been developed taking account of the structural information, demolition and architectural works (**Appendix 8**). Keppie Massie has prepared Development Appraisals for each of these options and assessed them from a market perspective to test their relative commercial and financial viability (**Appendix 9**)

10.1.3 The findings of each of the technical studies is summarised in the paragraphs below.

## 10.2 Conclusions of Interpretative Structural Desk Top Study by ARUP

10.2.1 The ARUP report summarises the issues noted in the documents reviewed and confirms that there are significant structural constraints and challenges to delivering and retaining the existing building on the site. In summary, the report states:

- All the surveys note that the timber parts of the existing buildings are in a poor state of repair having been affected by water ingress leading to decay and collapse. The bresummer beam to 88 Duke Street is of particular concern as it partly supports the façade. The timber floors, stairs and roof members to the frontage of the Duke Street buildings would all need to be replaced.
- Replacing the timber and designing for current loading would, most likely, lead to increased structural depth. To convert to modern office requirements would increase the loading, and hence structural depth, further. Fire restrictions would have additional implications on any refurbishment.
- The masonry façade to Duke Street would need substantial propping, stripping of much of the finishes to treat dry rot and to tie across cracking
- If a façade retention scheme to Duke Street is proposed, the window locations would mean keeping the floor levels. With the increased structural depth, this would lead to reduced floor to ceiling depths, but without being able to increase floor spans.
- There is very limited information on the condition of the cellars. This is an area of risk.
- Several buildings are noted as being on the point of collapse, including 14 Suffolk Street and the rear and side walls of 90 Duke Street.

10.2.2 Although the façade on Duke Street may be salvageable, ARUP's have concluded that, to convert the site for use as an office development, the buildings themselves on Duke Street would not be able to be salvaged. 14 Suffolk Street, 71 Henry Street and the cellars below the courtyard should also be demolished.

10.2.3 The existing Vinegar Works building on Henry Street has limited openings and no internal structure. This could be retained, though floor levels would not match the existing floors so that windows on the façade would not have the same relationship to floor levels that they were designed for.

10.2.4 Foundation construction and underpinning adjacent to landmark/historical structures can also present numerous geotechnical challenges, including difficult geology, unexpected subsurface conditions, limited access, and massive and relatively heavily loaded foundation elements, in addition to being sensitive to their historic fabric.

10.2.5 Each of these options will also require substantial temporary works associated with maintaining the stability of any façade retained throughout the construction phase of the works which could seriously impinge on the adjacent highway and surrounding conservation area.

### **10.3 Conclusions of the Architectural Options Study**

10.3.1 A summary of the conclusions of the Architectural Feasibility Study and the resultant impact of the two architectural options which consider retaining the 86 Duke Street are as follows.

10.3.2 If considered independently of both the structural and economic studies the integration of 86 Duke Street is technically achievable however, it does create a compromised solution in comparison with a new build proposal.

10.3.3 In summary, the two alternative scenarios appear to have greater negative impacts than positive on the re-development of the Application site, which questions the validity of this approach, as summarised below.

***Option 1. Retention of 86 Duke Street and the vinegar warehouse and integration into a new office building. This is based on Option 12K prepared by DLA Architecture in 2007/2008.***

10.3.4 This scheme option does not attract public funding and was not looking to seek BREEAM ratings that would attract such benefits as integrated travel to work plans, large amounts of cycle and staff welfare provision.

10.3.5 Furthermore, the scheme was seen as small scale managed space with suites and numerous tenancies and therefore large floor plate were not considered as part of the design. This therefore allowed a lower 'domestic' scale floor to floor and Grade A space could not be provided.

10.3.6 This would not therefore meet the requirements of ACL Ltd who have stipulated a requirement for BREEAM Excellent Grade A Office space.

10.3.7 The basement level was conceived as a lower ground floor with accommodation such as office resource hub, which is low grade space and can only be used as secondary support accommodation such as archive etc. Access to the building is from the courtyard direct as well as a single entry point to Duke Street.

10.3.8 At ground floor level the retained Vinegar Warehouse and 86 Duke Street were developed as separate facilities with individual core arrangements in support. Therefore three vertical circulation cores were provided and the net: gross efficiencies are perhaps lower than they would be for a large floor plate single user. The floor plate was generally devised to support multi-occupancy of suites and small office space. This type of floor plate would not therefore be acceptable to ACL Ltd who require Grade A offices with large floor plates.

10.3.9 A development of the ground floor with the impact of the rights of light restrictions becomes increasingly preventative of development in the upper levels of the building.

10.3.10 The third and fourth floor layout of this scheme option is particularly contrived and limited in terms of opportunity.

10.3.11 In summary, the overall design is a Grade B office for multi-let that would not suit a single occupier as the scheme is heavily cellularised through the restrictions imposed by differing floor levels, the existing fabric and the remaining infill new build space that merely seeks to fill the gaps.

***Option 2. Retention of 86 Duke Street and the vinegar warehouse and integration into a new office building behind connected by the core. This is a new option prepared at the request of the Council's Conservation Officers.***

10.3.12 This scheme option seeks to consider the inclusion of existing buildings as part of a large floor plate approach to provide the opportunity of single occupation and therefore be viable for a sole purchaser to accommodate Grade A office space.

10.3.13 Car parking is provided at a single level across the basement, with 7 spaces less than the ACL Ltd application scheme. Some limited low grade storage space is offered assuming it can be made suitable in terms of internal environment.

10.3.14 At ground floor, the scheme seeks to incorporate the existing building 86 Duke Street which requires an overworks core. The core therefore needs to work hard to serve differing floor levels that do not coordinate. The retained building cannot be part of the main space due to legislative restrictions. The retained space is unlikely to be viewed as Grade A space and would be Grade B at best.

10.3.15 The inclusion of the retained building restricts the access into the courtyard for vehicles and therefore there is increased risk of vehicle and pedestrian collision.

10.3.16 A new entry from Duke Street is required as the application scheme entry would be blocked from view.

10.3.17 There is a loss of rentalised space and a reduction to that which would remain as Grade B.

10.3.18 In the upper floors, the building stacks; using the ground floor as a template therefore the same restrictions apply.

10.3.19 A feature atrium can be developed between the old and new building works that could give character and a design feature. However, the massing of the old and new do not sit particularly comfortably together.

10.3.20 The vertical circulation with a double sided lift is complex and might be disorientating to visitors.

10.3.21 Fundamentally, there is a loss of approx. 5,000sq ft of rentalised Grade A space. There is a creation of approx. 3,750sq ft of rentalised Grade B space that is of the same footprint area to each floor offering no variety.

10.3.22 In summary, this would not meet the requirements of ACL Ltd who have stipulated a requirement for 40,000 sq. ft. BREEAM Excellent Grade A Office space.

***Option 3. Demolition of 86 - 90 Duke Street, including retention of the vinegar warehouse and integration into a new office building. This is the preferred scheme, and is the subject of the Application.***

10.3.23 This scheme seeks to deliver a project that would suit a single end user or a series of large size occupiers.

10.3.24 The scheme is designed to consider the needs of the market giving flexibility and the ability to have varying sizes of lets on a single floor or a let that occupies more than one floor.

10.3.25 The scheme considers wider funding streams and therefore not only meets institutional standards throughout for Grade A office space but also the wider implications of public body funding such as BREEAM ratings over and above the statutory levels.

10.3.26 Single level car parking is provided in the basement offering the space requirements of ACL Ltd heads of terms requirements.

10.3.27 This scheme provides support accommodation for cycling to work relative to the BREEAM levels given the accessibility of the site for other means of public transport.

10.3.28 At ground floor level, access is provided from the courtyard offering a centrally located core. The core position allows flexibility of the floor space. The entry position is in a controlled quality and secure environment. The floor plans also allow positive integration of the Vinegar Warehouse.

10.3.29 At the upper floor levels, the development of the ground floor with the core offers a central feature and the ability to divide the floor plan if necessary.

10.3.30 The plan layouts offer good outlook on three sides with further positive internal views of the courtyard.

10.3.31 All the office accommodation is designed to the same standards of internal environmental design. Energy efficiency is considered throughout the space and recognizable institutional standards are provided throughout the space.

10.3.32 This is the only scheme option which meets the functional and floor space requirements of the end user ACL Ltd.

#### 10.4 Conclusions of the Cost Analysis and Market Appraisal of Options

10.4.1 The construction costs and the development value of the three architectural options have been calculated as follows:

	Option 1 (12 K)	Option 2 (Retention of 86 Duke Street)	Option 3 (ACL Ltd) Application Scheme
Gross Development Value	£4,973,159	£5,758,586	£7,300,000
Grant Funding	£0	£0	£2,422,999
ACL Interest Cover	£0	£0	£370,000
<b>Total Revenue</b>	<b>£4,927,685</b>	<b>£5,758,586</b>	<b>£10,306,933</b>
Acquisition Costs	£501,187	£501,187	£501,187
Build cost	£8,894,724	£7,868,000	£7,293,699
Professional Fees and Miscellaneous Costs	£1,034,774	£951,814	£928,749
Marketing and Disposal Costs	£423,193	£497,694	£70,000
Finance Costs	£602,993	£540,949	£370,000
Total Costs	£11,453,032	£10,359,645	£9,163,936
Residual			
Profit / Return	<b>-£6,525,347</b>	<b>-£4,601,060</b>	£879,364

Profit (as a proportion of Cost)	-57.0%	-44.4%	9.6%
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10.4.2 The costs and development value of each scheme option prepared by EC Harris and Keppie Massie shows that the two options to retain and integrate 86 Duke Street are not financially viable and will not realise any development value with a significant gap which cannot be subsidised by gap funding.

10.4.3 By comparison Keppie Massie considers that the application scheme is economically viable.

10.4.4 A brief commentary is provided below in respect of each of the development options that are considered within the Keppie Massie report appended to this Heritage Statement :-

***Option 3 (ACL Ltd) Application Scheme***

10.4.5 The ACL Ltd application scheme, unlike the other two options considered is viable, provided that grant funding and interest cover from ACL Ltd is forthcoming. The scheme provides a profit of £879,364, which comprises 10% of costs incurred up until the date of acquisition. Owing to the nature of the deal with ACL Ltd, this is an acceptable return and as a result the development is considered viable and without grant funding will not proceed.

10.4.6 Notwithstanding this, Option 3 is subsidised by a potential ERDF grant of £2,422,999 and interest reimbursements of £370,000 (which would be paid by the prospective purchaser). Without the benefit of such payments, the scheme provides a loss of around -£1,915,000, which compares to losses of -£8,820,000 and -£6,670,000 respectively for Options 1 and 2 once developers profit requirements are considered.

10.4.7 In this instance there is no indication that grant funding would be available for the other scheme options, and is considered likely that both Option 12k and the Alternative Scheme Option 2 provide losses that are too excessive to be bridged by grant funding, and would not fulfill the ERDF criteria.

10.4.8 The ACL application scheme provides the largest quantum of high specification accommodation of all the options considered, at the lowest cost. The large floor-plates enable the accommodation to be easily subdivided to accommodate three individual tenants on each floor (and therefore maintain a degree of flexibility in terms of occupation). The accommodation is therefore considered more attractive to the market and has been valued at a higher rent.

10.4.9 In addition, the fact that ACL Ltd is willing to purchase the building on completion provides added certainty that the development will at least be partly let. Each of the other schemes does not benefit from a prospective occupier, and would have to be built speculatively.

***Option 1 (12 K)***

10.4.10 Whilst this option would not potentially benefit from ERDF grant funding, the proposed development provides a loss that would be considered too great to qualify for grant funding assistance. There is no indication that grant funding would be available for this option.

10.4.11 Having regard to the anticipated costs and revenues that are considered above, together with the costs that have already been incurred by Langtree, Option 12k provides a loss of -£6,525,347 (or -57% on cost) before a developer's return it accounted for. If a developer's profit of 20% based on cost were to be applied, the scheme would generate a loss to the order of around -£8,820,000.

10.4.12 The above option has several disadvantages relative to the ACL application scheme. The scheme will develop 8,608 sq. ft. less accommodation than the ACL application scheme. In addition, the scheme will provide a mixture of serviced office accommodation alongside smaller office units. Rents on a per workstation basis have significantly reduced over time, and in respect of high quality city centre rents have fallen from around £300 per workstation towards £200 per workstation. Once the potential costs of rates and service charge are accounted for, the rents are similar to those of conventional office space.

10.4.13 The office accommodation proposed will be fixed in size, and will typically comprise smaller units offering less flexibility in terms of layout. It is considered that the rents achievable will be reduced as a result.

***Option 2 (Alternative Retained 86 Duke Street Option)***

10.4.14 This scheme is largely similar to the ACL Ltd application scheme, the exception being the retention of 86 Duke Street. As a result of retaining the aforementioned building, around 2,000 sq. ft. of accommodation will be lost.

10.4.15 In addition to the above, around 5,200 sq ft of accommodation will be contained within the shell of 86 Duke Street. This accommodation reduces the flexibility of the overall workspace, which will affect the rental value. The workspace contained within 86 Duke Street will not tie-through, and will provide Grade B accommodation as opposed to the Grade A accommodation elsewhere. Such space will in all likelihood be best used as a meeting rooms, waiting rooms or archive space, and will not achieve the same rental values. This also results in the loss of 7 car parking spaces.

10.4.16 Having regard to the above, Keppie Massie have reduced the rents applied to £15.50 (relative to the ACL Ltd application scheme (Option 3)), adjusting the yields, void periods and rent free periods to reflect the fact that the premises will be built speculatively, and accounted for the loss of 7 car parking spaces reduces the GDV from £7,517,642 to £5,861,898.

10.4.17 In addition, EC Harris report that the build costs will be approximately £575,000 higher should 86 Duke Street be retained. Accounting for the fact that we have had no indication that grant funding will be made available, and the fact that having regard to the characteristics of the development a developer will have to meet the interest payments themselves, results in a loss of -£4,601,060 (or -44.4% on cost) before a developers profit is considered. If the developers profit were to be included at 20% of cost, Option 2 would provide a loss of around £6,670,000.

#### ***Summary***

10.4.18 Keppie Massie concludes that the only viable development option is the proposed ACL planning application scheme. This application scheme is likely to receive grant funding and has the benefit of a substantive identified end user.

10.4.19 The alternative options represent other developments approaches that may be considered appropriate for the site. However, these alternative options are not viable and Keppie Massie does not consider that there is any prospect of grant funding which could allow such schemes to progress. Accordingly the schemes will not be delivered in the current market and the ACL Ltd application scheme is therefore the only viable option available.

### **10.5 Overall Conclusions of Options Appraisal**

10.5.1 Drawing on the results of the three technical studies, an analysis has been made of each of the options which identifies positive and negative aspects. In summary, the feasibility studies confirm that in each of the two options that involve retention of 86 Duke Street there are significant structural, architectural and economic challenges that would impede the successful regeneration of the site.

10.5.2 Each of the studies is summarised in the Option Analysis Summary included in **Appendix 10**.

## 11 CONCLUSIONS

- 11.1 The proposed development site contains a number of properties dating from different periods, which have long been vacant, and are in a state of serious disrepair. None is a designated heritage asset, but the site is located within the Duke Street Conservation Area and the Liverpool World Heritage Site.
- 11.2 The site is owned by the Homes and Communities Agency (HCA), which purchased it (as English Partnerships) in 2002 to facilitate the regeneration of the Ropewalks area. In 2004 Langtree Group Plc, the planning applicant for the proposed scheme, was appointed as preferred developer following a design competition held by Liverpool Vision and English Partnerships.
- 11.3 A planning application was approved in 2005 for a mixed use development that involved the conversion and refurbishment of 86-90 Duke Street, with demolition of ancillary buildings and new build. This was subsequently deemed to be un-implementable due to Rights of Lights issues and a significant change in market conditions. Since then the development team has worked with Liverpool Vision, the HCA and Liverpool City Council to prepare a viable office based scheme.
- 11.4 The application proposal is in response to a request from Atlantic Container Line UK (ACL), a defined end user, to purchase 40,000 sq ft of Grade A office space on the site. The revised scheme involves demolition of No. 86 and Nos. 88-90 Duke Street, with a new building, retaining the former Vinegar Warehouse fronting Henry Street to the rear of the site.
- 11.5 Government policy set out in *the National Planning Policy Framework* (NPPF) requires that proposed changes to the historic environment are based on a clear understanding of significance of any heritage assets and their setting that are affected, providing information so that the likely impact of proposals can be assessed. The statement of significance provided in this report is carried out in accordance with the historic environment policies in the NPPF and local planning policy, and is intended to aid the assessment of the planning application. It addresses the historical development of the Ropewalks area, its character and appearance, and whether the properties contained within the development site make a positive contribution to the conservation area and the World Heritage Site.
- 11.6 The Statement of Significance demonstrates that the principal features of significance are:
- Association with the growth of the port and the early expansion of Liverpool
  - Historic associations with the city's merchant class
  - Historical mix of residential, commercial, retail and leisure uses in a dense pattern of development

- Changing plot divisions, originally the site of a large brewery, then later subdivided and developed for different functions.
- Surviving 18<sup>th</sup> century elevation of 86 Duke Street
- Fragmentary survival of early 19<sup>th</sup> century Henry Street warehouse elevation

Regarding the existing buildings, the only features of material significance are the 18<sup>th</sup> century front and side elevations of 86 Duke Street and the early 19<sup>th</sup> century Henry Street Vinegar Warehouse frontage. These two buildings make a low to medium contribution to the character and appearance of the conservation area and the World Heritage Site by virtue of their age, form and aesthetic interest. Features of more limited interest are the survival of the altered 88-90 Duke Street elevation, which make a modest contribution to the character and appearance of the conservation area, and negative features are the poor quality extensions and alterations made to the site and buildings in the 20<sup>th</sup> century, and its general state of dereliction.

- 11.7 The impact of the proposed scheme has been considered in accordance with the NPPF and local planning policy. It concludes that considered overall, there will be a potential moderate/slight adverse impact of the proposals on the significance of heritage assets.
- 11.8 In relation to the potential loss of significance of heritage assets, a review against policy tests included in the NPPF has been carried out. These confirm that lengthy and detailed efforts have been made to find alternative options for the retention of the frontages of the Duke Street buildings, but that these have proved unviable. Their potential loss, however, should be balanced against the current proposal to retain the frontage of Vinegar Warehouse on Henry Street, which was considered in 2008 by LCC and English Heritage to be the building of greatest significance.
- 11.9 The evidence of open marketing of the site over a number of years shows that considerable effort has been made by both EP and more recently by Langtree to secure development of the site and to retain the Duke Street frontage buildings. The marketing has confirmed that, with the exception of ACL's interest in a new development providing Grade A office space, during the whole 10 year period no genuine interest in the site has been shown and no viable use has been found for the existing Duke Street buildings.
- 11.10 In regard to alternative sources of funding that may support the retention and continued conservation of the existing buildings, the conclusion is that there are no other funding sources, and the potential ERDF grant is the only opportunity to secure the redevelopment of the site in such challenging economic times.
- 11.11 The crucial test contained in the NPPF is whether the harm or loss to heritage assets is outweighed by the benefit of bringing the site back into use. The proposed development site has been a regeneration priority for more than

20 years. Previous proposals for regeneration have been constrained by viability issues, but now, through national and European funding support, there is an opportunity to deliver important economic and social benefits through the redevelopment of the site. Should the opportunity offered by ACL be lost, it is probably that the site would remain vacant for many years into the future.

11.12 The benefits offered by the proposed scheme area as therefore as follows:

- The proposal will bring an important area of vacant and redundant land and property back into productive use
- It will ensure regeneration of the site, and retention of a high profile local employer within the city, which is likely to lead to further employment growth, safeguarding 66 existing jobs and creating 153 new jobs at the UK level
- Without this committed end user, speculative funding and grant support will not be available for regeneration of the site, which will remain vacant, continuing to blight this part of the Duke Street Conservation Area and the World Heritage Site
- Grant of permission will generate further economic benefits via direct employment in construction and development and deliver other indirect employment opportunities
- The character and appearance of the site will be significantly enhanced through development, and the replacement building will act as a catalyst for further regeneration of the Ropewalks area, providing additional confidence as a location for occupation and investment

These benefits are considered to substantially outweigh any disbenefits associated with the loss of the existing buildings at 86-90 Duke Street.

11.13 To supplement these conclusions, an independent analysis has also been carried out of three options for redevelopment of the site, two of which seek to retain 86 Duke Street. The detailed feasibility studies confirm that in each of the two options which involve retention of 86 Duke Street, there are significant structural, architectural and economic challenges to delivering these alternative options.

11.14 The analysis concludes that the only viable development option is the proposed ACL planning application scheme. This application scheme is likely to receive grant funding and has the benefit of a substantive identified end user. The alternative options are not viable and it is unlikely that there would any prospect of grant funding which could allow such schemes to progress. Accordingly the schemes will not be delivered in the current market and the ACL Ltd application scheme is the only viable option available.

**APPENDIX 1: VIABILITY AND DESIGN SUMMARY OPTIONS 12J-12P 2007-2008**  
**(Document appended separately)**

## **APPENDIX 2: TIMELINE AND CHRONOLOGY OF EVENTS**

**APPENDIX 3: ARUP STRUCTURAL REPORT 2013 (Document & CD appended separately)**

**APPENDIX 4: LANGTREE GROUP MARKETING EVIDENCE NOTE**

**APPENDIX 5: REDACTED COPY OF LANGTREE GROUP ERDF APPLICATION NWOP  
PRIORITY 3 CALL FOR PROJECT APPLICATIONS IN MERSEYSIDE [PRIVATE AND  
CONFIDENTIAL] (Document appended separately)**

**APPENDIX 6: AMION CONSULTING FUNDING FOR DEVELOPMENT (including HCA letter 6.3.13)**

**APPENDIX 7: DLA ARCHITECTURE OPTIONS STUDY**

**APPENDIX 8: E C HARRIS COST ANALYSIS (ORDER OF COSTS)**

**APPENDIX 9: KEPPIE MASSIE DEVELOPMENT APPRAISALS REPORT**

**(DOCUMENT APPENDED SEPERATLEY)**

**PRIVATE AND CONFIDENTIAL**

**APPENDIX 10: SUMMARY SCHEDULE OF OPTIONS ANALYSIS**