



**FEBRUARY 2015**

# **LISTING OF POST-WAR BUILDINGS**

**RESTRICTIVE BUT NOT RUINOUS -  
IF YOU HAVE THE APPETITE**



## LISTING OF POST WAR BUILDINGS

Acquiring and owning a listed building brings a number of challenges. Caveat emptor always applies but the value of iconic status may outweigh the restrictions when wishing to demolish, alter or extend the building.

But what if a building already held in your portfolio is subsequently listed? The recent listing of a number of relatively modern buildings may have sent a shudder through many owners with buildings such as 1 Finsbury Avenue, London, Mountbatten House, Basingstoke and 30 Cannon Street London establishing a precedent for the listing of 1970s and 1980s buildings. Any important building more than 30 years old can be considered for listing.

So what should you do, indeed what can you do, to ensure that acquiring a listed building or having listing imposed is not the poisoned chalice often associated with it? On the positive side, achieving iconic status may add to the building's desirability, minimising voids and increasing occupier appeal. The appeal of listed buildings and their contribution to the rich diversity of a harmonious built environment is important. Enlightened views on viable communities recognise mix and variety rather than uniformity and the role of listed buildings as important individual elements in effective place making.

However this should be balanced against the (considerable) downsides that come with listing – individuals can be prosecuted - and willfully altering a listed building is a criminal offence carrying the risk of prison for infringement. Listed Building Consent is required for any works that are not like for like repairs and therefore the options for future development and the potential for substantial alterations is reduced.

This is compounded by the fact that, contrary to popular belief, listing means that all the building, inside and out plus the area around it is protected and this applies to all listing grades. So the building's ability to meet future market needs might be restricted, for example where cellular office space doesn't meet today's desire for open plan layouts or where large atria could be in-filled to create additional net lettable space and to improve energy efficiency.

Costs attributable to the building may be higher; repairs on a listed building are likely to be more expensive than repairs to an ordinary building because they may need specialist tradesman to complete the work, to a high standard. The obligations for keeping a listed building in good order may well contribute to these higher costs. Sourcing architectural elements and no longer manufactured elements for 30+ year old buildings may be problematic as well as expensive. However, on a recent TFT project, we have advised and specified specialist repairs to replicate the original gaskets for the cladding as a cost-effective and allowable solution to return the external elevation of the 35 year building to a wind and weather-tight state.

Insurance premiums could also rise as insurance companies are more cautious about insuring listed buildings.

Issues related to listed buildings are not necessarily confined to the building fabric. There are a number of services-related implications which The Chartered Institution of Building Services Engineers (CIBSE) have outlined in their useful guidance document – Guide to Building Services for Historic Buildings – which can be illustrated with a number of points. For example, where a building has been constructed with traditional natural ventilation via windows but the proposed use requires guaranteed ventilation by mechanical means giving rise to a potential issue with the size and location of air terminals and ducting. Plant location may also become an issue where thermal properties pre-date 'energy-conscious' construction methods imposing greater loadings and plant size. Where the services may be time-expired, replacing them can expose harmful materials and increase the extent of works; requiring more exposure, lifting of floors and clearing of ducts than envisaged.



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Requirements arising from new standards and regulations may not always be retrospective but need to be considered for new works. However, our own work on The Heal's Building in London, with creative re-use to encourage cross ventilation and heat removal demonstrates that energy improvements are possible within the straight jacket of a Grade II listed building. The property has proved to be popular with occupiers, too. At the time of writing, over 80% of the space has been let to five different tenants, achieving record rental levels for the area. The quality and style of the listed space plus the amenity of the building has also helped them to be competitive in attracting and retaining the best talent from the Telecommunications, Media and Technology (TMT) sector.

So what of the business case? Can listed building ownership be aligned to classic cars, with tremendous kudos and no road tax to pay but more costly to upkeep? And are they the costly burden which impacts on asset value? Prime city locations may limit any drag on commercial value (although this wouldn't be true of all buildings in less desirable locations).

The Twentieth Century Society has commented that the recent list of newly-listed post-war commercial buildings of architectural and historic interest is not a once and for all list but rather a first assessment of a very important and previously understudied area. We are sure that there will be more examples in due course.

A recent English Heritage study also indicates that the investment performance of listed commercial buildings holds up well and notes that listed buildings have generated a higher level of total return than commercial property overall.

So a balanced view needs to be taken, with full account of listing, or potential listing when acquiring, maintaining/improving or redeveloping a building. If a building within a portfolio also ends up on the listing rota, future development options may not be totally limited particularly as not all elements of the building may be equally important. Regardless of the fact that the whole building is listed, establishing what is significant about the building is a good starting point.

Proper advice needs to be sought and with this in hand, risk can be minimised and opportunities maximised.

This is Part 1 of Tuffin Ferraby Taylor's response to the recent additions to the English Heritage listing rota. Part 2 will address energy issues associated with listed buildings.

The Twentieth Century Society

<http://www.c20society.org.uk/news/c20-statement-on-listing-of-post-war-commercial-buildings/>

CIBSE

<http://www.cibse.org/knowledge/cibse-guide/cibse-guide-to-building-services-for-historic-buil>

English Heritage

<http://www.english-heritage.org.uk/about/news/Postwaroffice/>

