



Afzal Khan MP
Member of Parliament for Manchester, Rusholme
House of Commons, London SW1A 0AA

The Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London, SW1A 2HQ

16th February 2026

Dear Rachel,

I write to you regarding the situation facing Hulme Hippodrome in my constituency. The Hulme Hippodrome is a 120-year-old Grade II listed Edwardian theatre and it is one of the last surviving theatres of a group of 17 in the North West. In 2020, it was sold to a property developer who attempted to sell it on at auction for apartments, but as it is a listed building, no legal consent had been given for this change of use by the authorities. The auction was stopped by campaigners, the Theatres Trust and the planners at Manchester City Council.

The Save Hulme Hippodrome not-profit limited company has been raising funds to pay for much-needed surveys on the structure and condition of the building and has successfully campaigned for the property owner to be legally obliged to make repairs to the outside of the building. As you know, Local Planning Authorities (LPAs) have statutory powers to enforce urgent or necessary repairs to listed buildings under Sections 48 and 54 of the Planning (Listed Buildings and Conservation Areas) Act 1990. In practice, however, enforcement is impeded by the requirement for LPAs to fund these works from their in-year revenue budgets—even where the costs are legally recoverable via a registered land charge and the asset retains sufficient equity. This is the issue currently facing Hulme Hippodrome.

I would, therefore, appreciate your consideration to giving LPAs permission to classify such recoverable expenditure as capital spending – fully aligned with recent Treasury practice and accounting guidance for other secured and enforceable public sector investments. A targeted change to the accounting treatment would remove a significant barrier to heritage enforcement, enhance public asset stewardship, and do so without increasing national net borrowing. It reflects current fiscal rules which allow capitalisation of recoverable investments where they generate a tangible, legally secured public asset. This targeted change would also support government policy in revitalising town centres and neighbourhoods where heritage buildings and historic quarters have fallen into decline.

I have attached to this letter a submission from Save Hulme Hippodrome on enabling capital accounting for recoverable listed building repairs by local planning authorities. I would appreciate your consideration of the points outlined in this letter and in the submission, and I look forward to a response which I can share with the Save Hulme Hippodrome campaign.

Yours sincerely,

Afzal Khan MP
Member of Parliament for Manchester Rusholme