Statement of Bem Brasil Restaurants Limited and Kleber Magalhaes

1. This statement is submitted by Bem Brasil Restaurants Limited (**BBRL**) and Kleber Magalhaes (**Mr Magalhaes**) in support of the application to be submitted by Soller Nine Limited (**Soller**) pursuant to Condition 3(b) of the Planning Permission (granted by Manchester City Council on 24 January 2025 under reference 139778/FO/2024) (**the Application**). The contents of this statement reflect the views and submissions of BBRL and Mr Magalhaes and are provided to Soller for inclusion with the Application.

2. The Application seeks seeking permission from the Council for certain demolition works to be carried out at the property at 58 Lever Street, Manchester (**58 Lever Street**).

3. BBRL and Mr Magalhaes operate a restaurant known as Bem Brasil from an old public house property on the corner of Great Ancoats Street and Lever Street in the Northern Quarter in central Manchester. The title documentation describes that property as 32-34 Great Ancoats Street, Manchester (**the Restaurant premises**). The Restaurant premises are immediately adjacent to 58 Lever Street, albeit separated by a narrow ginnel which forms part of Little Ancoats Street.

4. On 19 July 2007, Mr Magalhaes and his then business partner entered into a Retailers Agreement with their then Landlord, Punch Taverns (PTR) Limited, in relation to the Restaurant premises. The Retailers Agreement essentially comprises a Lease of the Restaurant premises with a term of 20 years commencing on 19 July 2007. Although the Lease to the Restaurant premises is effectively in Mr Magalhaes's name, the restaurant business itself is operated through the auspices of BBRL.

5. Soller is the freehold owner of the entire block bound by Lever Street, Great Ancoats Street, Little Lever Street and Houldsworth Street. The freehold to the Restaurant premises and 58 Lever Street fall within that block, and therefore Soller is the Landlord to the Lease mentioned above.

6. As the Council will be aware, on 15 May 2024 the property at 58 Lever Street suffered a catastrophic collapse which caused very significant damage to the Restaurant premises. In fact, Mr Magalhaes and his staff had noticed bricks falling from 58 Lever Street dating back to 2021, as a result of which Soller arranged the erection of scaffolding and a crash deck in the ginnel between 58 Lever Street and the Restaurant premises. This was in situ for over two years as more bricks and slates continued to fall.

7. The restaurant has remained closed since 15 May 2024.

8. The purpose of this statement therefore is to support the Application and in particular provide the Council with an explanation as to the impact that the collapse of 58 Lever Street and the consequent closure of the restaurant premises has had on BBRL's business.

9. Pursuant to Condition 3(b) of the Planning Permission, the Council will allow demolition provided that it is urgently necessary in the interests of health and safety and where there is evidence that the demolition is the only measure that will remove this risks.

10. The incident on 15 May 2024 involved the collapse of the entirety of the side wall of 58 Lever Street, including the complete collapse of the scaffolding and crash deck leaving a mangled pile of scaffolding and associated rubble in the ginnel in that part of Little Ancoats Street which separates the Restaurant premises from 58 Lever Street. None of that scaffolding and/or rubble has at any stage been cleared and remains in situ, albeit blocked off to the public by fencing on either side.

11. The collapse caused very significant damage particularly to the rear of the Restaurant premises which features both single storey and double storey extensions immediately adjacent to the ginnel. The single storey extension houses a mens toilet. It was extremely fortunate that the collapse occurred in the morning at a time when the restaurant was closed. Had it occurred at any other time and particularly had the mens toilet been occupied, it is undoubtedly the case that fatalities or at least very serious injuries would have occurred to anyone who had been in that part of the building at the time.

12. Significant damage was also caused to the roof of the double storey extension and to the stairs leading from the main part of the building to the extension.

13. BBRL is not however in a position to carry out any remedial works to the Restaurant premises until such time as the structure of 58 Lever Street is made safe and the scaffolding and associated rubble which remains in situ in the ginnel is removed.

14. Mr Magalhaes, his associates and his solicitors have been consistently informed by Soller since May 2024 that the side elevation at 58 Lever Street remains in a dangerous condition, that the building and its connected structures are in a poor condition with a risk of imminent roof collapse and that this necessitates maintaining the scaffolding until the building is made safe. Soller have also confirmed that demolition of 58 Lever Street is the only solution available for making it safe. The presence of the mangled scaffolding and rubble is also causing environmental health issues, attracting homeless individuals and drug use in the area.

15. It is obvious therefore that demolition of 58 Lever Street is urgently necessary in the interests of health and safety and moreover that demolition is the only measure that will remove those risks.

16. As stated above, the restaurant has not traded since Tuesday 14 May 2024 as a result of the collapse on the morning of Wednesday 15 May 2024.

17. Aside from the potential physical risk, BBRL has retained employees who have not worked since that day. At the time of collapse, BBRL employed 22 members of staff, but that number has reduced to 11 with many simply choosing to leave the business rather than

await reopening. To have lost 50% of staff through no fault of the business is an unreasonable and preposterous situation to be in. If/when the restaurant re-opens, there will have to be large scale and urgent recruitment at a very significant cost to the business particularly in circumstances where it is well know that recruiting in the restaurant sector at the present time remains extremely challenging.

18. Prior to the closure, BBRL had a turnover in the last accounting period of £1.34m which provided significant value for shareholders. While it may well be the case that insurers are for the moment at least covering lost revenue through business interruption insurance, it is difficult to precisely quantify the full extent of the actual losses.

19. A very significant factor is the severe reputational damage caused by this incident. Brasil opened on this site in July 2007 and has traded successfully until May 2024. It was a well-known, well-loved member of the restaurant scene in Greater Manchester and has employed well over 250 staff over in that period.

20. The longer the restaurant remains closed, the longer it will take to entice customers back. It is almost certainly the case that members of the public, in seeing a restaurant that has been closed for very many months, simply assume that it is closed for good.

21. If the restaurant does reopen, it is impossible to know whether it can match the turnover that was being achieved before closure and this obviously has a consequent impact on the value of the company and the shareholder interests. If the restaurant cannot reopen, or if it is not able to open successfully, the result is an existential threat not only to the company, the value to shareholders, but also the risk of the loss of a significant number of jobs for employees.

22. Having faced many challenges in almost 20 years of trading, not least Covid, and survived and indeed thrived, it is heartbreaking for Mr Magalhaes and his staff to contemplate ceasing to exist through no fault of their own. Clearly, this incident has had a devastating, potentially existential threat to the business with, at the time of writing, no firm end in sight.

23. Mr Magalhaes is however very confident that Bem Brasil will still have a bright future on this site but only if the re-opening of the restaurant is accelerated.

24. BBRL considers that the best means of achieving this is for the urgent demolition of 58 Lever Street, to make that building safe, which will then enable remedial works to be carried out at the Restaurant premises allowing the restaurants to reopen as soon as possible. BBRL therefore considers that it would be appropriate for the Council to grant consent for the urgent demolition of 58 Lever Street pursuant to condition 3(b) of the Planning Permission, hence this statement in support of the Application.

Bem Brasil Restaurants Limited and Kleber Magalhaes

26 February 2025