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**Proof of Evidence presented by**  
**L. Miles Pickering FRICS, MCI. Arb., MEWI**

**1.0 THE EXPERIENCE OF L. MILES PICKERING, FRICS, MCI. Arb., MEWI.**

- 1.1 I, Loxley Miles Pickering, am a Fellow of the Royal Institution of Chartered Surveyors, having been appointed a Fellow in November 1979 (Membership No. 32791). My appointment followed election in October 1969 as a Professional Associate achieved by entrance examination following a period of full time education at Sheffield Polytechnic (now Sheffield Hallam University). On 5<sup>th</sup> September 1988 I was admitted as an Associate of the Institute of Arbitrators (Membership No. 11135) and on 30<sup>th</sup> September 1999 I became a Member. I am a Registered Property Receiver. I have joined the Building Surveying, Commercial Property, Dispute Resolution and Valuation Faculties of my Institution.
- 1.2 In April 2003 I was one of the first Chartered Surveyors to be accepted onto the RICS Expert Witness Registration Scheme (Membership No. 228). This was achieved after references and sample reports were submitted for examination to ensure compliance with the RICS Practice Statements, Guidance Notes and the Civil Procedure Rules. I am a Member of the Expert Witness Institute (Membership No. 1419) and a Law Society checked Expert Witness and included in their directories.
- 1.3 I have specialised in residential and secondary commercial and industrial property since first entering employment in 1967.
- 1.4 I have always been employed in the North West of England and my experience has always been in the Merseyside area.
- 1.5 My experience has been gained with Liverpool City Council, Lancashire County Council, Edmund Kirby & Sons, and for in excess of 30 years, I have been a Partner in private practice. I am Senior Partner of The Venmore Partnership trading as Venmore Thomas & Jones/Ball & Percival/John Brown & Company in Liverpool, Southport and St. Helens respectively. I am also a Director of Venmore Thomas & Jones (Prescot) Limited and Colette Gunter Limited of Formby. Our twenty-one offices cover the Merseyside and North West areas.
- 1.6 I have held various appointments by election and nomination. I was President of the Liverpool & District Property Owners' Association from 1986 to 2002. For twelve years I was an assessor for the Assessment of Professional Competence of graduate members of my Institution. From 1997 to 2000 I was the External Examiner for my Institution in respect of the BSc. (Est.Man.) degree course at John Moores University, Liverpool.
- 1.7 I am a founder Member of the Technology & Construction Court Users' Committee.

- 1.8 My professional work includes property management and valuation, and advising on building disputes, property disrepair (Sections 4, 11 & 82), compulsory purchase and professional negligence. I have over 30 years experience in litigation and receive numerous appointments as Expert Witness and Single Joint Expert from both Solicitors and the Courts (approximate ratio Claimant 35%, Defendant 35%, Court 30%). I have experience of conference and Court attendance and frequently give oral evidence as an Expert Witness.
- 1.9 In addition to my existing caseload I have reported on over 120 new cases in the last twelve months.
- 1.10 I undertake a vigorous programme of Continuing Professional Development and have successfully completed various expert witness courses as recognised by my Institution and the Academy of Experts.
- 1.11 I am conversant with the contents and requirements of the 1<sup>st</sup> and 2<sup>nd</sup> Editions of the Practice Notes and Guidelines as set out in “Surveyors acting as Expert Witnesses”.
- 1.12 I am conversant with the Civil Procedure Rules 1999, in particular Part 35 referring to Experts and Assessors.
- 1.13 In July 2003 I attended an Asbestos Awareness & Management Course which led to my obtaining a Proficiency Certificate in Building Surveys and Bulk Sampling for Asbestos (including Risk Assessment & Risk Management Strategies).
- 1.14 The Venmore Partnership have been granted Certification by the Department of Trade and Industry in respect of I.S.O.9002. The scope of registration includes Residential Sales Agency, Valuations, Auctions and Commercial Agency.
- 1.15 In my opinion I have more experience in the area of Liverpool under consideration than any other practising surveyor. Many people expressing professional opinions at this Inquiry will not have experienced the variations in the housing market that I have. In particular I have been involved with slum clearance (whilst with Liverpool City Council) in the early 70’s, the Kensington Fields Area for in excess of 35 years and I am a Trustee of the owners and builders of many of the properties in the Merseyside Pathfinder areas, many of which remain in the original ownership. The majority of houses were built in excess of 100 years ago.

## 2.0 **DOCUMENTS**

- 2.1 In particular I have had regard to three documents:

1. **Kensington Regeneration Housing Delivery Proposal January 2001.**
  - a. This document sets out the long term vision and strategic objective for the Kensington Area including the properties affected by the proposed Compulsory Purchase Order.
  
2. **Liverpool City Council's Corporate Housing Strategy Statement 2002-2005 dated January 2002.**
  - a. This document sets out the City's regeneration strategy by way of Housing Zones.
  
3. **Renewing the Housing Market of Liverpool's Inner Core dated February 2002.**
  - a. This document includes the subject properties in the Eastern Approaches Area and sets out how the Kensington area has a multi-agency approach to regeneration involving significant housing market restructuring, stock rationalisation and the creation of a new housing regeneration vehicle.
  
4. Statement of Reasons by English Partnerships.
  - a. This document includes the Promoter's Reply to Mrs Pascoe's objection.
  
4. I have also had regard to the Eighth Report of the ODPM into the Housing Market Renewal Initiative on the 9 Pathfinder areas and am extremely surprised to note that no representations were made by Liverpool City Council, nor did their representatives, appear as a witness to the Select Committee. Sadly, in my opinion, this is symbolic of the reality of their lack of interest and real commitment to the alleged regenerative benefits of the proposals.

### 3.0 **AREAS OF LIVERPOOL AFFECTED BY THE PROPOSALS**

3.1 The Kensington Regeneration Document describes two distinct areas affected by the proposals :-

1. Holt Road/Cameron Street,
2. To the south of Edge Lane, Edge Lane/Wavertree Road.

#### 4.0 **IMPROVING THE EDGE LANE CORRIDOR**

- 4.1 Various programmes for enhancing Edge Lane have been put forward over many years. As you will be aware Edge Lane connects the end of the M62 with Liverpool City Centre. At the present time it is undoubtedly a dangerous busy route making junctions with residential streets difficult to negotiate because of restrictive vision and high traffic volumes.
- 4.2 Let me state at the very beginning that I am in favour of the improvement of Edge Lane together with the *selective* demolition of poor quality frontages if their improvement is impossible, and, possibly, some limited additional land take. As stated in the Kensington Regeneration document (page 27) “The character of Edge Lane could be substantially changed to produce a tree-line boulevard with central refuge and safe crossing points and improved junctions”.
- 4.3 Proposals HAVE varied between making the road into a continuous motorway and, at one stage, a tunnel from the end of Edge Lane into the City Centre was considered. As a result of these proposals many properties, on both sides of Edge Lane, have suffered some blight for many years and, as I will mention later, the values of these properties have not increased to the same extent as values of properties in the surrounding areas. It is interest that they have nevertheless increased. This demonstrates the underlying robust nature of the underlying housing market.
- 4.4 I have been specifically requested to comment on the specific matters which I set out below :-
1. **Has there been a housing market failure?**
    - a. My initial involvement was with the areas of the Kensington Field Housing Action Area in 1970. This was one of the first, if not the first, Housing Action Areas in the Country. Owners and landlords were offered grants of between 75% and 90% of the cost of improvements. Those owners who did not take advantage of the improvement grants being offered has their properties Compulsory Purchased. The purchasers were Liverpool City Council who simultaneously transferred the properties to a variety of Housing Associations. The Housing Associations introduced many undesirable tenants into the areas over the years and burglaries, robberies and drug related offences became common place. This resulted in a decline in the demand for properties in the areas under consideration from both owner-occupiers and potential tenants.

- b. During the recession in 1989/90 house values dipped considerably due to the lack of demand.
- c. Subsequently values stagnated or increased to single figure inflation with a dip in values in the year 2000. Subsequently values in respective areas increased from the average figure in the order of £25,000 to figures in the order of £55,000/£60,000 and, upon the announcement that Liverpool was to become the Capital Culture in 2008 values increased, on average, to figures in the order of £95,000/£100,000.
- d. Unfortunately properties blighted by the proposals for the widening of the M62 did not enjoy the enhanced values of the neighbouring areas.
- e. Many of the properties in the blighted areas were owned by Housing Associations and due to the proposals now under consideration these houses became boarded up and prospective owner-occupiers or investors, who would let their properties, were deterred from purchasing in the areas.
- f. Accordingly there has been a market failure in the affected areas but, importantly, only as a result of the present Scheme currently under consideration at inquiry.

2. **Excluding the scheme under consideration, would houses sell readily?**

- a. This depends on the type of property. In general there is a mixture of what were originally four roomed houses i.e., a living room and kitchen to ground floor level with two bedrooms to first floor level, together with six roomers which had two living rooms and a kitchen to ground floor level and three bedrooms to first floor level.
- b. As a result of improvement grants the four roomed houses were extended with single storey kitchens and bathrooms/WC to ground floor level whilst the six roomed houses had the back bedroom converted into a bathroom/WC or, alternatively, an internal bathroom/WC was providing retaining the three bedroomed accommodation to first floor level.
- c. In the last two years there has been a good demand for the six roomed houses for both owner-occupation and investment but, unfortunately, in my considerable experience, the extended four roomed houses have a very much lesser demand, tenants and owner-occupiers, in general, do not wish to have a bathroom/WC at ground floor level.

3. **Has the threat of Compulsory Purchase influenced saleability?**

- a. Undoubtedly the threat of road widening and Compulsory Purchase, has affected saleability in the area and blighted values. The majority of properties which have been sold have been for investment purposes at prices of approximately 50% less than the market value if they were not.
- b. Keppie Massie, who are purchasing properties in advance of Compulsory Purchase appear to be oblivious to this and are making what I consider to be ridiculously low offers and do not appreciate the way in which the proposed scheme has blighted the properties for many years. In fairness to Keppie Massie they were not involved in the sale of properties until approximately 12 months ago and that possibly accounts for their lack of appreciation of values.

4. **Would the housing market be regenerated if the proposals take place?**

- a. This is an extremely difficult question to answer. I am of the opinion that the improvement of Edge Lane might benefit the area but the remaining proposals are uncertain. Importantly, the actual content of the Scheme (beyond some tarmac), remains at large. Consequently, it is impossible for me to conclude whether or not the proposed regeneration would (as opposed to could) deliver the benefits promised. Kensington itself should have benefited from the Kensington Regeneration Initiative but there is very little to be seen of benefit to date and property values in Kensington have risen commensurate with the increase in values in other areas of Liverpool.

5. **What “are” the “right conditions” for stimulating the market and giving confidence to the market for regeneration?**

- a. The Promoters state at page 55, paragraph 12.36.6, that the purpose for its exercise of powers is:
  - “to create the right conditions to stimulate confidence and investment in Edge Lane West area by providing high quality development integrated with and improved highway gateway”.

I make the following points:

- the demolition of the properties would in principle remove from the market those properties. By definition, the Promoter's purpose would be self-liquidating because the homes would be gone.
- the recent grants of planning permission are in bare outline with most matters reserved. What exactly will replace the flattened homes is simply impossible to assess. The quality alleged assumes that the content of the planning permission is known. However, it is unknown. Consequently it is impossible to know whether the rights conditions for the whole of the "market" would materialise.
- I have seen no evidence before the First Secretary of State that a contract has been let for construction of any properties. It is impossible for me to conclude whether any conditions in a contract would be triggered by confirmation of the cpo.
- it is impossible to conclude whether regeneration benefits will be delivered without prejudging the outcome of any reserved matters applications.
- the Promoters have failed to particularise the "right conditions" cited. Consequently, I am unable to express a view on this on what are or are not the "right conditions". I would add that, importantly, the RICS report recommends (at page 19) "Current compulsory purchase and compensation arrangements will not deliver the Government's stated aims of "radical and sustained action to replace obsolete housing and the large scale clearance underway across all Pathfinders by 2005" and completed by 2010". I concur with this view. In addition, one cannot buck the market. It does what it does. I do not think that in the circumstances of this proposal on the basis of the evidence, cpo powers *can* be used to engineer the "right conditions" for a housing market, nor can they "create" stimulus to the market.

## 5.0 CONCLUSIONS

- 5.1 I have little doubt that the improvement of Edge Lane might be of benefit to the area. However, in view of the fact that I do not *know* what the proposals are because their actual content remains unknown, for the additional land to be acquired, I find it impossible to comment to any further real extent.

5.2 In my opinion there has been a market failure in the area but this has only been brought about as a result of the large percentage ownership of properties by Housing Associations, their boarding up when vacated and the blight and imprecise areas of land required for the road proposals.

**SIGNED** .....

**L. MILES PICKERING FRICS MCI. Arb., MEWI.**

**DATED** .....