

renovation to be viable in terms of either cost or demand” He also said that he anticipated that there would be greater subsidy in building new houses than renovation. “The Government, although withdrawing funds to renovate properties in the Welsh Streets area has introduced mechanisms to provide for 150,000 new homes to be built over the next few years. Surely, this provides a far greater prospect to finding a solution.”

Introduction A1 27/9/08 11426 Page 1

BREATHING NEW LIFE INTO THE TERRACE



5 GOOD REASONS FOR KEEPING THE TERRACES:

1. Redevelopment is destructive and uproots communities
2. Over the last 100 years the houses have proven flexible and adaptable to suit a range of occupants and lifestyles
3. The existing houses can be upgraded to make them much more energy efficient
4. It is more sustainable to recycle the properties – the embodied energy already invested in them should be saved
5. It is cheaper to refurbish the houses than to build new ones

WHY WAS REFURBISHMENT NEVER AN OPTION?

SAVE
BRITAIN'S HERITAGE

Neighbourhood Renewal Assessment (NRA)

“NRA was used by Liverpool council in determining the most satisfactory course of action for the Welsh streets in 2005. The 2005 NRA recommended total clearance of houses in the Welsh Streets. In 2013 the council chose to undertake the NRA again to take account of changes in circumstances. The council said “the Council consider it prudent to undertake a further update to ensure that the emerging proposals for the Princes Park area can be considered against an up to date policy framework.” The council chose to appoint a consultant to undertake the NRA on their behalf. The consultant they appointed was DTZ. I know DTZ as a large international property company.

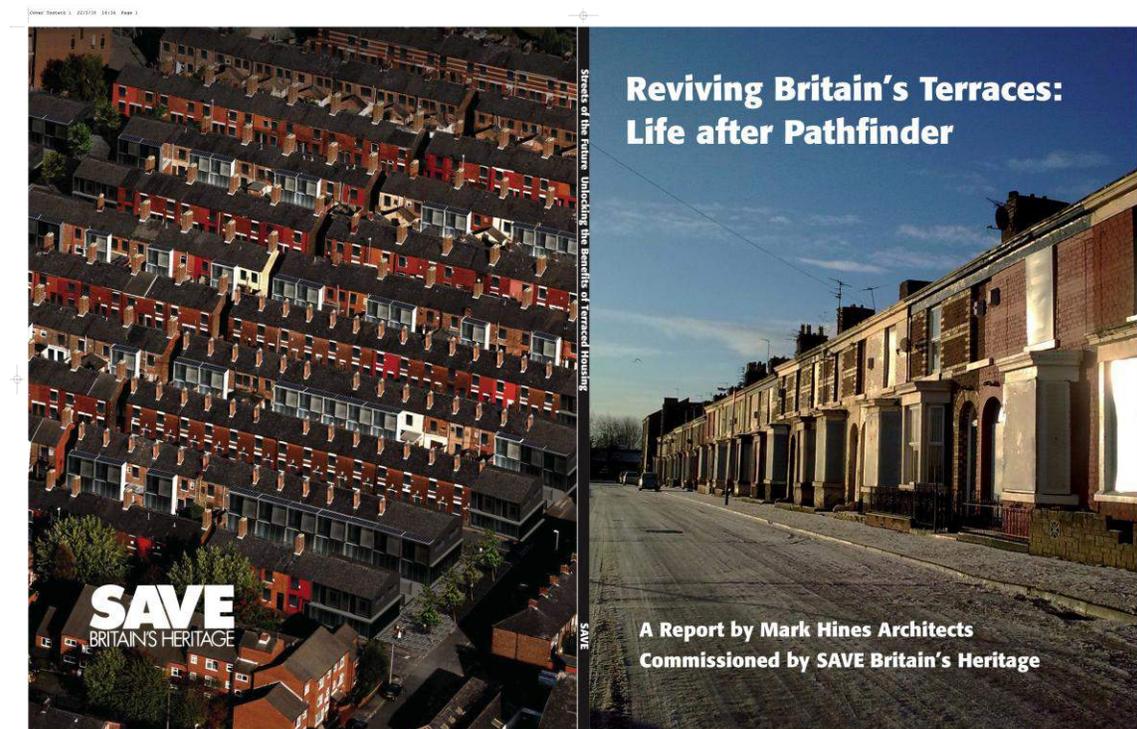
“In my view the NRA undertaken by DTZ was flawed in several respects. In my view it appears that it was conducted with a predetermined outcome in mind. The options that were generated and the way in which these options were tested against objectives appeared to be biased towards an outcome that recommended demolition of the houses.”



Evidence from Ed Morton, structural engineer

“I am a chartered Civil Engineer, Fellow of The Institution of Civil Engineers, Accredited in Conservation under the Conservation Accreditation Register for Engineers (and sit on their panel) and member of the Institute of Historic Building Conservation (and sit on their technical sub-committee).

“Instructions were received from SAVE Britain’s Heritage. My instruction was to provide advice to SAVE in relation to the condition of properties within The Welsh Street area of Toxteth in Liverpool and to establish the likely cost of repairs to these buildings.”



Inspection

“It was agreed with Liverpool City Council that the inspection would be jointly carried out with Damian Gore, a Chartered Building Surveyor from Mouchel Property acting on behalf of the Council.

“The detailed inspections were undertaken on 14th and 15th of April with nineteen properties being assessed. This included 21 Madryn Street which is owned by SAVE. However on completion of these inspections it was jointly agreed that there was a lot of repetition of the condition and the nature of repairs required, particularly to the two storey properties, and thus it was agreed that the detailed assessments would be limited to 5 properties.

“The inspections were a visual assessment of the condition of the buildings from ground level and accessible positions, and using a surveyor’s ladder to inspect internal attic spaces, flat roofs to bays etc. Torches were used as necessary as natural light was poor. Hazard survey sheets for each property were read prior to entering each property which highlighted areas or matters of concern related to Health and Safety and provided an indication of overall condition.”

Cost Assessment

“Based on the Mouchel schedule, as commented on by myself, Wilf Jones Quantity Surveyor had produced detailed assessments of the works required for the five properties which are included in appendix B and summarised below.

“A meeting was held on Wednesday 15th May 2014 between Wilf Jones and the Mouchel Quantity Surveyor to try and agree common ground on costs. In many cases the rates adopted by Wilf Jones were higher than the Mouchel costs.”

	20 Kelvin Grove	4 Wynnstay Street	19 Kinmel Street	7 Rhiwlas Street	42 Rhiwlas Street
Condition	Fair	Fair	Fair	Very Poor	Very Poor
Description	3 storey + basement	2 storey + outrigger + single storey extension	2 storey + outrigger	2 storey + outrigger + 2 No. single storey extension	2 storey + outrigger
Construction Cost	£53,357.02	£44,500.31	£36,508.80	£53,553.10	£42,891.10
Contractors preliminaries/ on costs (15%)	£8,003.55	£6,675.05	£5,476.32	£8,032.97	£6,433.67
Contingency (8%)	£4,908.85	£4,094.03	£3,358.81	£4,926.89	£3,945.98
TOTAL COSTS	£66,269.42	£55,269.39	£45,343.93	£66,512.95	£53,270.75

“Based on the costs in the table above we have estimated an average cost for the properties as below:

Two storey building with outrigger in fair condition $£55,269.39 + £45,343.93 / 2 = £50,306.66$ rounded up to £51,000.

Two storey building with outrigger in very poor condition $£66,512.95 + £53,270.75 / 2 = £59,891.85$ rounded up to £60,000.

Two storey building with outrigger in poor condition $£51,000.00 + £60,000.00 / 2 = £55,500$ (approx. 9% increase from property in fair condition).

Three storey property in Kelvin Grove in fair condition £66,269.42 rounded up to £67,000.

Three storey property in Kelvin Grove in poor condition £67,000 increased by 9% = £73,030.00 rounded down to £73,000.”

“This provides a basic indication for costs for the two and three storey properties being considered. For the two storey buildings these include extensions to the outrigger for both one in fair condition and one in very poor condition. It is accepted that figures for individual properties will vary but these figures are considered by me as reasonable figures for an assessment of the whole site being considered.

“We have been passed copies of the Hazard Survey Sheets for 291 properties, plus we also inspected 21 Madryn Street (owned by SAVE) and we have used this to form an approximation of the numbers of properties which fall into the three categories of fair, poor and very poor.

“In general terms where properties are described with areas not safely accessible, evidence of structural failure etc., then it has been categorised as ‘*very poor*’.

“Conversely where no structural comments are made, or these are of a minor nature, the building is categorised as ‘*fair*’ – this does include some with rot indicated to floor structures, as I considered that these can still be repaired easily. Those in between are categorised as ‘*poor*’. The results of this are included in appendix C and summarised as follows:

Property Type	Fair		Poor		Very Poor		TOTAL
2 up/ 2 down + outrigger	82	29%	103	36%	97	35%	282
Kelvin Grove	7	70%	3	30%	0	0%	10

“From the above and the average costs indicated at 4.11 the overall costs for the 292 properties are as follows:

Two up / two down

82 Fair at £51,000 = £4,182,000

103 Poor at £55,500 = £5,716,500

97 Very Poor at £60,000 = £5,820,000

Kelvin Grove

Three Fair at £67,000 = £ 469,000

Three Poor at £73,000 = £ 219,000

“So the total anticipated cost of works to the buildings to make them habitable is estimated at £16,406,500 exclusive of VAT. Based on an estimated end value of £85,000 per property and ignoring the greater value that the Kelvin Grove properties would sell for, the end value for the entire site is £24,820,000, i.e. a profit of £8,413,500 exclusive of VAT.

“Whilst the above apply to Phase A, we see no reason why a similar exercise would not yield the same results for Phase B properties.

“Wilf Jones has also carried out a brief assessment considering how a developer may regard the site in terms of costs and this is included in appendix D. With the inclusion of professional fees, legal costs, finance charges, developer’s overheads and profit (22%) and sales costs (legal and agents at 1.5%) the surplus value over cost is £2,478,390. This excludes VAT. I consider it likely that these figures are a worse case scenario and a greater surplus is obtainable.”

Conclusion from Ed Morton’s Evidence

“The properties inspected are in a condition where they can be repaired and returned to habitable and beneficial use.

“Based on the cost assessments for the repairs and an average likely end value, provided by Paul Sutton, and excluding any uplift for the end values of the Kelvin Grove properties, and any incentives such as the New Homes Bonus there is still substantial profit including a surplus to be made in a commercial development on the Welsh Street properties.

“Based on these facts and costs it is clear that the buildings can be viably retained and brought back into residential use.

“For the above reasons it is requested that the planning application for the demolition and redevelopment of both Phase A and Phase B of the Welsh Streets should be refused, subject to overall assessment of any other relevant planning harm an/or benefits.

“With regard to the Compulsory Purchase Order for 21 Madryn Street, the current tenants (guardians) seem to be comfortable and want to continue living in the property and clearly the building is in beneficial use and some further minor improvements can easily be made to improve its energy efficiency. For these reasons, subject to other relevant considerations, it is suggested that the CPO should not be upheld.



Voelas Street

From SAVE's Closing statement:

“The planning application is a direct continuation of the depredations of the now-cancelled Housing Market Renewal Initiative (“HMRI”). The extent to which LCC and PDG, at this inquiry, have sought to defend HMRI and its continuing relevance today is extremely surprising, apparently refusing to acknowledge that it has been cancelled by the present government and expressly labelled “environmentally, economically, and socially wasteful”: that is to say, not sustainable, in a clear echo of the three dimensions to sustainable development in NPPF para.7. LCC’s/PDG’s witnesses have referred to there having been “some changes” in government policy since the original NRA was undertaken in 2005, when in fact these changes – such as the government’s empty homes policy – have been radical. PDG have called it “short-sighted” to seek to modify its housing stock in light of the so-called “bedroom tax” or removal of the “spare room subsidy”, despite the fact this is present government policy.

“LCC/PDG have also suggested that, if this planning application is not granted, the site would sit as it is for a further 5-10 years before they bring another planning application. The suggestion that the Welsh Streets would be left for a further long period of time, if LCC/PDG do not get their way on this application, is frankly outrageous, in circumstances where they have failed properly to consider alternatives or even to test the market.

“Prior to the joint surveys undertaken by LCC/PDG and SAVE, LCC/PDG were advocating demolition without even having accurate information about the costs of refurbishing the properties. In a funding bid with the WSHG, PDG were suggesting that 16 Kelvin Grove properties would cost c.£115,000 each in base refurbishment costs – whereas we now know they would cost less than £70,000 each.

“LCC has displayed a completely intransigent attitude to the Welsh Streets. It has failed to consider alternatives including greater refurbishment of the existing terraces. Fewer than 10% of the properties are to be refurbished in the scheme, as a result of a vigorous campaign and an agreement to consider greater refurbishment brokered between Grant Shapps MP (then Minister for Housing and Local

Government), Mayor Anderson, George Clarke (as the government's empty homes advisor), and SAVE. LCC has never tested demand for properties on the open market (despite Mr Shapps MP having announced on 14 June 2012, on visiting Madryn Street, that LCC "have agreed to give the local community the opportunity to take over and refurbish 16 of the properties on the streets, and in so doing gauge the demand for such properties in the wider area").

"It is submitted that the Welsh Streets are a significant non-designated heritage asset, which would be almost completely lost as a result of the proposals. The scale of harm to the Welsh Streets as a non-designated heritage asset outweighs the supposed benefits of the scheme (NPPF para.135). Further, the proposals would cause harm (albeit less than substantial) to the significance of the Princes Park and Princes Avenue Conservation Areas and many listed buildings on Devonshire Road (NPPF para.134).

"There has therefore long been a functional relationship between the Welsh Streets and the two Conservation Areas, to add to their visual relationships (which include views from Devonshire Road West, from Princes Avenue, from the 13 listed buildings on Devonshire Road and Princes Gate West, and from Devonshire Road itself through the gaps between the villas). The Welsh Streets are an important part of the setting of the CAs and listed buildings. Even if it were not accepted that there was a functional relationship between the Princes Park and the Welsh Streets from its inception, they have co-existed for almost 150 years. English Heritage guidance on setting makes clear that "[t]he setting of a heritage asset can enhance its significance whether or not it was designed to do so." The interrelationship between the Welsh Streets and Princes Park is even depicted in the artist's impression on the biographical map signboard near the entrance to the Park (endorsed by both English Heritage and LCC).

"The heritage assessment contained in the Environmental Statement was carried out in ignorance of the facts uncovered by Gareth Carr's research, which demonstrates that the Welsh Streets date from earlier than previously supposed and were masterplanned by Welsh architect Richard Owens. English Heritage, in their consultation response to the planning application, were also unaware of the full heritage significance of the Welsh

Streets. A full picture has been presented only by SAVE.

“LCC/PDG have sought to suggest that the Welsh Streets have been “denuded” of their original character. Whilst there have been changes made (for example to roofing materials, windows and doors, painting of brickwork, and rebuilding to the rear of properties), the Welsh Streets are significant for the high degree of coherence which remains. The original street pattern and rhythm remains, and the original buildings are substantially retained with the exception of a small number of gap sites and in-fill houses. A large amount of major features such as bay windows, stone plinths, dentil courses, window and door surrounds, brick decoration and other detailing remains. The arrangement of rooms survives, and ceiling heights are generous (as the Inspector will have seen from her internal site inspections). Features like windows, doors and roofing materials, to which LCC/PDG point, do not significantly impact on the overall coherent character of the Welsh Streets, and in any event could easily be replaced (as they were in Kensington Fields, following which it was designated as a Conservation Area). Rebuilding to the rear of properties is to be expected and does not significantly affect the character of the streets themselves.

“Further, to the extent that there has been any erosion of the character of the Welsh Streets houses since they were progressively bought up by LCC from the early 2000s, in so far as there is evidence of deliberate neglect their deteriorated state should not be taken into account (NPPF para.130). There is clear evidence of such deliberate neglect here. For example, rainwater goods and lead flashing have been systemically removed from properties and not replaced. It is absurd to suggest that downpipes needed to be removed to prevent their own theft, even having taken measures to prevent theft of lead flashings: this has had regrettable consequences for the buildings, which have been exposed to water erosion, and is completely disproportionate to the risk of theft of cheap plastic downpipes. There has been no proper effort to keep the vacated houses in good condition.

“LCC/PDG have attempted to downplay the level of harm by suggesting that the terraced housing in the Welsh Streets is “ubiquitous” in Liverpool. Liverpool is England’s greatest Victorian city, so it is unsurprising that it has a large number of Victorian terraces

(although not vastly more than other northern core cities). This is not an appropriate justification for demolition. Huge swathes of Liverpool's Victorian terraces have already been lost, at least in part as a result of previous CPOs, which have led to sites being cleared and left vacant after promised new build did not take place.



“The Welsh Streets are in fact unique survivors in terms of their stage of development in the evolution of masterplanning of speculative housing development in mid-Victorian Liverpool, their coherence and their architectural variation. They are the closest and most complete surviving area of mid-Victorian terraced workers’ housing to Devonshire Road and Princes Park. At least 50% of Richard Owens’ terraced housing in Liverpool has already been destroyed (some 4,500 houses); the proposals would see the destruction of over 10% of the remainder. Demolition would sever the remaining parts of Estate No.3

from their important historical context with Princes Park.

“The architects of the scheme have sought to cover the fact that the proposals are suburban, since suburbanisation is clearly inappropriate in its location, by seeking to integrate more “urban” features such as three-storey corner units. But, as Mr Skempton stated, such attempts are doomed to fail because of the scheme’s fundamental contradictions: they look out of place and lack coherence.

“Finally, the loss of mature street trees would be a significant loss in design and sustainability terms. They can and should be retained and managed applying an ordinary tree maintenance regime, taking up the paving slabs around them and laying a flexible, permeable material, which would not be expensive to do. LCC/PDG have failed adequately to investigate their condition.

“One of the key planks of LCC’s/PDG’s case is that there is an oversupply of smaller, Victorian terraced housing in Liverpool’s inner core which needs to be replaced by three-bed, semi-detached properties with gardens and off-street parking. By contrast, SAVE’s case is that there is clear need for smaller properties including terraces, and these are a valuable housing resource for people seeking affordable housing in the inner core which should not be lost, particularly when there a very large number of vacant sites in Liverpool which could and should be developed for new build.

“LCC’s/PDG’s argument has its roots in the now-abandoned HMRI, as indicated by the extracts submitted by LCC/PDG from previous CPOs in 2006 and 2008. However the circumstances that formed the basis of HMRI (as set out in those extracts from earlier CPO decisions) have now fundamentally changed: HMRI has been cancelled, the government has radically changed its approach to empty homes, and Liverpool is now clearly a growing rather than a declining city.

“Consistently with government policy requiring empty homes to be brought back into use, the onus is clearly on LCC to demonstrate that there are no realistic options other than demolition. Despite this, since it embarked on buying up the Welsh Streets, LCC has never attempted to market test the properties or to seek to redevelop the area other than through its developer partner. A paper-based developer appraisal is of course an

important tool for gauging viability, but it is no substitute for proper market testing.

“LCC has never sought to market the site or any part of the site, even after Mr Shapps MP’s announcement on 14 June 2012 that 1-16 Madryn Street were to be offered to the community for refurbishment and, in so doing, demand to be gauged for such properties. LCC’s/PDG’s protestations that there would be no developer able and willing to undertake greater refurbishment of the Welsh Streets cannot be regarded with any credibility where they have failed adequately to consider alternatives and to test the market.

“It is frankly ludicrous to suggest, as was put to Mr Forshaw, that since SAVE has been creating publicity about the Welsh Streets over many years, the fact that no costed alternative proposal has come forward in that time is evidence that no such proposal would come forward, even if LCC had a change of heart. First, this disregards the evidence that there have been expressions of interest that LCC appears to have ignored or rebuffed. Second, SAVE is a small charity with very limited resources, and has never been in the role of some sort of de facto marketing agent on behalf of LCC, which is one of the largest and most influential local authorities in the country with extensive resources to market or promote schemes if it so wished. Third, as can be seen from SAVE’s press releases and other material fairly read in their context, SAVE’s campaigning in relation to the Welsh Streets over many years has been precisely on the basis that LCC’s approach to date is blinkered and has failed to consider alternatives because it is wedded to its sole developer partner for this area: this is the very opposite of some sort of invitation to treat for the redevelopment of the Welsh Streets. As Mr Forshaw remarked, in response to this suggestion made to him that SAVE’s campaigning is hardly the same as an advertisement placed by LCC in the Estates Gazette. LCC should not be permitted to demolish the Welsh Streets without even having tested the market, and should do so in an open and fair way without a closed mind and with proper records kept of expressions of interest.

“LCC has never seriously considered a mix of refurbishment and selective demolition in the Welsh Streets. The Neighbourhood Renewal Assessments have never changed their

criteria, despite changes in policy and in Liverpool’s demographics. The very narrow range of options presented in the 2013 NRA Update includes full refurbishment on one hand (or refurbishment of Phase A with nothing done to Phase B) and, on the other, full demolition or demolition with only very minimal amounts of refurbishment (1-16 Madryn Street, Kelvin Grove, or both). LCC has never tested an option for refurbishment, say, of all of Kelvin Grove, Madryn Street and Kelvin Grove (as recommended by English Heritage), with demolition elsewhere in Phase A. It has never tested refurbishment of Phase B in the absence of full refurbishment of Phase A. It has never sought to explore whether properties in the best condition could be retained and those in the worst condition selectively demolished and replaced with new build, with further new build on the vacant sites, for example at the end of Voelas Street. There are many possible permutations, but none of them have been seriously considered.

“Cllr Ann O’Byrne stated in her third party representation that “we have listened to what local people want, and when I say local, I mean people who actually live in the Welsh Streets, and they want new modern homes with gardens and parking. This is what the scheme before you gives them” [emphasis added]. However PDG have made it clear that there are “no promises” to Phase B residents or former residents of Phase A, who would either have to purchase a new build property themselves (if they could afford to do so) or be allocated a house through the general housing waiting list according to their level of need. Furthermore, existing residents will inevitably have to be resettled elsewhere whilst demolition takes place, after which (like others already decanted from Phase A) they are unlikely to return to the Welsh Streets. Of course residents would similarly have to move out if extensive refurbishment of their properties took place – but this would at least offer a chance for those who wished to remain in the Welsh Streets to return.

“SAVE submits that a scheme involving greater refurbishment would better serve to create a healthy, inclusive community, allowing existing residents who wished to stay in the Welsh Streets a chance to remain in their homes and creating opportunities for a wider mix of people to move into the area.

“Demolition would involve huge loss of the embodied carbon within the existing

buildings, failing to meet the challenge of climate change. LCC/PDG have not sought to quantify the improved energy efficiency of new build properties to Code for Sustainable Homes Level 3, so it is submitted that little weight can be placed on this as a supposed benefit of the scheme.

“There was some suggestion that the scheme might involve salvage of existing materials, but the application itself appears to be limited to salvage of a small number of granite kerbstones and thresholds. The proposed condition in this regard is in very general terms (certainly not for re-use of the imperial-sized bricks of the Welsh Streets in their current form), and the Inspector can place very limited weight on the prospect of materials being recycled in an energy-efficient way, if this is suggested to be a benefit of the scheme.

“It is submitted that the harm caused by the scheme clearly outweighs its supposed benefits.

“Further, it is submitted that the Secretary of State should be concerned by LCC’s reluctance for a condition to be imposed requiring a construction contract to be let before demolition commences. A larger number of vacant sites in Liverpool bear testimony to demolition having taken place without the promised new build following, and continue to remain subject to “interim landscaping” after many years.

“The Secretary of State will no doubt be asked by LCC/PDG to have regard to the benefits of the proposed scheme in light of the dis-benefits if planning permission is not granted. As noted above, it is alleged that the site would be left for another 5-10 years before a new planning application comes forward, if LCC/PDG do not get their way on this application. No weight should be afforded to this assertion, in circumstances where there has been a complete failure to consider alternatives or to test even a sample of the properties for refurbishment on the open market. There are statutory powers available to deal with the site if it does not come forward within an appropriate timeframe following refusal of planning permission.

“Finally, even if the Secretary of State were minded to grant permission for Phase A, consent for demolition should not be granted for Phase B, where there are no detailed or funded proposals and LCC/PDG have not even undertaken work to establish the

condition of the Phase B properties.

“Consent for this proposal and confirmation of the CPO would set a terrible precedent, encouraging demolition of empty homes rather than bringing them back into use. SAVE noted in opening that the Welsh Streets are said to be the last major proposed clearance, or the “final intervention”, of the NRA process set in train under HMRI. However if permission is granted for this scheme it would be allowing HMRI to continue despite its revocation, and might well lead some local authorities to consider reviving cancelled clearance programmes.

“There is a solution to the conundrum of the Welsh Streets, as SAVE has been saying for a long time:

“Kelvin Grove and 1-16 Madryn Street should be removed from the clearance zone straight away so refurbishment can be started (which does not require planning permission).

“Remaining Phase B residents should be offered suitable alternative accommodation off-site (whether on the new Mount Carmel School site or elsewhere).

“Phase B residents who wish to remain in the Welsh Streets should be offered help to enable them to improve their properties.

“The remaining properties should be properly and imaginatively marketed, which may involve LCC assembling a mix of refurbishment options and involving a variety of agencies (public, private, co-operative and others). This would require comprehensive management from LCC, with real open mindedness about alternatives to demolition in the Welsh Streets.”

Postscript:

This report was put together before the result of the inquiry was announced. On 16th January 2015 it was announced that the Secretary of State refused planning permission for this application, overruling the Planning Inspector. The Secretary of State's letter can be found on our website.



The tea-towel designed by Kitty Rice as a reward for our crowd funders.