



ACQ/328/2008

LANDS TRIBUNAL ACT 1949

COMPENSATION – Compulsory purchase of dwelling house in Clearance Area – valuation – methodology – comparables – Land Compensation Act 1961 section 5, rule (2) - compensation awarded £49,000

IN THE MATTER of A NOTICE OF REFERENCE

BETWEEN

JOYCE (JULIE) RICHARDSON

Claimant

and

HARTLEPOOL BOROUGH COUNCIL

Respondent

Re: 17 Slater Street, Hartlepool TS26 8QJ

Before: P R Francis FRICS

Sitting at: Hartlepool County Court, Victoria Road, Hartlepool TS24 8BS

on

23 April 2009

The claimant in person

Ian Ponter, instructed by Peter Devlin, Chief Solicitor, Hartlepool Borough Council, for the respondent

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DECISION

Introduction

1. This is a decision to determine the compensation payable by Hartlepool Borough Council to Mrs Joyce (Julie) Richardson in respect of the compulsory acquisition of 17 Slater Street, Hartlepool (the subject property) under the Council of the Borough of Hartlepool (Land at Mildred Street, Ernest Street, Slater Street, Angus Street, Preston Street, Lancelot Street, Duke Street and Hart Lane West Central Hartlepool) Compulsory Purchase Order 2005 (the CPO). The CPO was made on 4 November 2005 and confirmed by the Secretary of State on 31 August 2006. A General Vesting Declaration was made on 18 January 2007 and possession was taken on 20 February 2007, which is the valuation date for the purposes of this reference.

2. The claimant, who was the freehold owner of the subject property, appeared in person and produced a witness statement of fact dated 9 April 2009, a “report” and appendices which were produced for the Tribunal and for the respondent on 4 September 2008 and a further folder of documents upon which, she said, she intended to rely. She also produced witness statements of fact from Mr Derek Allison and Miss Tracy Simpson, the latter of whom was called to give evidence. Mrs Richardson called no expert valuation evidence. Mr Ian Ponter of counsel appeared for Hartlepool and called Mr John Richard Wilson FRICS, principal of Appletons, Chartered Surveyors of Stockton on Tees, who gave valuation evidence.

Facts

3. An agreed statement of facts was produced by the parties from which, together with the evidence, and my inspection of the location of the former property and the surrounding area immediately following the hearing, I find the following facts. The subject property comprised a mid-terrace Victorian two-storey private dwelling house located in an established and mature residential area close to the town centre, the marina, Grayfields Park and other local amenities. The accommodation, which included gas fired central heating, comprised an entrance lobby, living room, kitchen with good quality fitted units, modernised bathroom and separate wc to the ground floor and three bedrooms to the first floor. Small yard/garden area to rear. The gross internal floor area was between 62.4 and 64.5 sq m.

4. The property was acquired as an investment by the claimant in 1999, and was let and occupied throughout her period of ownership on assured shorthold tenancies, apart from 3 months in 2004 when modernisation and refurbishment was undertaken. It was agreed that compensation under rule (2) should be assessed on the basis of the freehold with vacant possession. There was no issue as to whether or not the property was in habitable condition, but Mr Wilson noted (when he eventually inspected the property internally in January 2006) that there had been evidence of water penetration through the slated roof covering that had caused damage to first floor ceiling finishes. There was also a slope to the floor of the third bedroom, and evidence of rising damp at ground floor.

5. In 2003 a partnership, known as Hartlepool New Deal for Communities (NDC), between the council, some residents, housing associations, a developer and others published a community housing plan, and set up a housing regeneration company known as Hartlepool Revival. This was to implement the regeneration of parts of the West Central Hartlepool Area (within which the subject property was located), and other similar locations where it had been agreed that demolition of existing low value and poor quality housing stock, and its replacement with new low-rise residential developments, was a desirable solution within areas of social deprivation and low values. Following the making of the CPO, a public inquiry was held at which the both claimant and Mr Wilson appeared, and it was subsequently confirmed in August 2004.

6. The Hartlepool Revival covered a considerable area and involved a number of discrete schemes, including replacement dwellings, street lighting, CCTV and street warden projects, community open spaces and parks, road improvements, traffic calming schemes and landscaping. The part affecting the subject property, which involved the demolition of 241 properties, has now been completed and comprises the development of 110 residential units in a series of culs de sac, a play area and traffic calming measures.

7. Mr Wilson was appointed by Hartlepool Revival in late 2003 to value all the affected properties, and commence negotiations for their purchase both prior to and after the confirmation of the CPO. Those negotiations (including those with the claimant) were taken over by the council's estates manager (Miss Emma Dixon) immediately after the CPO inquiry in June 2006, but reverted to Mr Wilson in February 2008 when she took maternity leave.

Claimant's case

8. Mrs Richardson said that she had originally instructed a Mr Nigel Billingsley BSc MRICS of Bruton Knowles to act on her behalf in respect of the compensation negotiations with the council, but when no agreement on value could be reached, she had agreed with him that in the light of the small amount at stake, it would not be appropriate, or economic, for him to proceed to act as her expert before the Tribunal. He had, however, produced an informal note on 1 September 2008 regarding the property, but although it did not include a valuation, she said he had given her a verbal indication that the property was worth about £64,000. Mrs Richardson said that she subsequently proceeded to undertake her own research, and produced details of comparable settlements and other relevant information in support of her claim. She had also obtained independent opinions of value from another two chartered surveyors, Mr Peter Cavey FRICS of Greig Cavey Commercial Ltd at £50,000 in May 2006 and Mr C H Burberry FRICS in October 2006 at £52,000, but neither valuation was prepared in connection with this hearing, and the authors were not called.

9. She said that her claim in the sum of £57,650 was the average of what she considered to be the best two comparables, 26 and 38 Ernest Street. These were very similar 3 bedroom terraced properties where agreement on compensation was reached at £57,150 and £58,150 respectively with the owner, Mr Allison (who confirmed the details in his witness statement, and that his properties vested in the council on the same day as the subject property, 20 February 2007). They were both affected by the same scheme, although it was accepted that

they had not been included in the original proposals. They were brought into the CPO when the prospective developer insisted that Ernest Street was essential in overall scheme design and layout terms. It was notable, she said, that Mr Wilson had failed to include these properties, which provided irrefutable support to her argument, within his own evidence produced in support of his valuation of £37,200. He had not, therefore, complied with his duty to the Tribunal to disclose all relevant facts. Whilst she accepted in cross-examination that the Ernest Street properties were in a marginally better location, being on the edge of the streets of terraced houses and overlooked bungalows opposite, she did not think that that, or the fact that they might have been newer (1930s) could possibly justify the £20,000 difference in value that Mr Wilson was suggesting.

10. Mrs Richardson also said that Mr Wilson's evidence, and his argument that a valuation of £37,200 should apply, did not take into account Miss Dixon's involvement with the scheme. His valuation was misleading in that it did not reflect the offer that Miss Dixon had made at £45,600, or the fact that he had subsequently made a settlement offer that was in excess of this sum. Furthermore, in respect of that latest settlement offer (which was not disclosed to the Tribunal), she said that it should have come from the council and not their appointed valuer.

11. Miss Dixon's offer had been derived from a figure determined under an Alternative Dispute Resolution (ADR) procedure for 4 Slater Street, which had belonged to Miss Simpson, Mrs Richardson's other witness of fact. That ADR valuation had been undertaken by a Mr Ian Straughan FRICS of Middlesbrough on joint instructions from the council and from Ms Simpson's appointed valuer, a Mr Cruddas. Mr Straughan valued the property, which was similar to the subject property but had two bedrooms, at 20 February 2007 at £48,000 "in accordance with the Compulsory Purchase Code." Mrs Richardson said that that valuation was his professional opinion and was not, as Mr Wilson had subsequently undertaken in respect of his negotiations on scheme-affected properties, a valuation calculated on the basis of a price per square metre. Mr Straughan, she said, had measured 4 Slater Street externally, and had recorded in his valuation letter a "gross external floor area of approximately 72.3 sq m." Miss Dixon, who had conducted negotiations at the time, sought to apply Mr Straughan's valuation of 4 Slater Street to the subject property on a price per square metre basis, but made the error of calculating the figure on an assumption that the 72.3 sq m referred to by him had been a gross internal measurement. This would give a value of £663.90 per sq m, and the offer of £45,600 reflected this, Miss Dixon having taken the subject property at 62.7 sq m, and added £4,000 for new boiler and fitted kitchen. A 90% advance payment had been made on that basis.

12. Mrs Richardson said that the error was pointed out to Miss Dixon by her and Mr Billingsley, and that had the correct measurement been used for 4 Slater Street, the price per square metre would have amounted to £739.60. She said that in assessing the value of the subject property there was no requirement for either Mr Wilson or Miss Dixon to devalue 4 Slater Street when its value had been settled using an ADR procedure. Furthermore, Mr Wilson's devaluation was based upon his own observations from when he inspected it externally in 2003 and should therefore be of no relevance as that was some 4 years before the appropriate valuation date. If, as he had said was the case, Mr Wilson (and the council) had difficulties with Mr Straughan's valuation of 4 Slater Street, Mrs Richardson wondered why he had attempted to use it to value the subject property. In cross-examination, Mrs Richardson

accepted that Mr Straughan had not referred to comparables when providing his ADR valuation, and that despite the council's subsequent request that he do so, had not provided details other than to say he had "[had] full regard to comparable evidence available to me in that area of the town." She also acknowledged that neither of the valuers who had provided her with their opinion of the value of the subject property had referred to any comparables.

13. In addition to her two main comparables, and 4 Slater Street, she listed 7 other properties within the vicinity that had been sold in the open market. These she considered proximate enough in terms of location and type to be of assistance to the Tribunal. Nos. 3 & 27 Jobson Street were similar terraced houses to the subject property (although it was not known if they were 2 or 3 bedroom units) in another part of the Hartlepool Revival scheme. They were each sold on 23 January 2007 at £45,000 but were re-sold the same day for £54,000. Similarly, 62 Rodney Street, a part of the same area of the scheme was sold on 20 April 2007 at £41,000 and immediately re-sold for £54,000. 54 and 112 Sheriff Street, which were close to the subject property, were also sold in January and February 2007 for £52,500 and £51,000 respectively with each the subject of back-to-back sales at £60,000. 191 Alma Street, which was also close to the subject property, was sold on 2 March 2007 at £61,950 and 19 Cobden Street (just outside but immediately adjacent to the Revival area) was sold for £74,000 on 26 February 2007. In cross-examination, Mrs Richardson accepted that at the time of all those sales, the scheme was already well advanced, but she did not think that it had any marked affect on values in the area, especially in Jobson Street. She said that the comparable open market evidence that she had produced was just that, and that in compensation terms in accordance with rule (2), those figures provided a reliable guide to that which should be applied to her own property.

14. Mr Wilson, on the other hand, had relied principally on the analysis of the settlement relating to 4 Slater Street together with other agreed settlements within the scheme, none of which had been tested in the open market. Those settlements were then used to justify the price to be paid for the remaining properties where the value was in dispute, despite the fact that underlying values had been rising in the surrounding areas. Mrs Richardson said that Mr Wilson's reluctance to agree comparables, and the fact that his evidence only related to the period during which he had been involved, meant that he was unable to confirm the condition of the subject property at the valuation date – it having been Miss Dixon (who no longer works for the council) who had inspected her property and 4 Slater Street at that time. Mr Wilson's evidence, she said, was incomplete and contained inaccuracies, particularly in respect of the history behind the settlement on 4 Slater Street and in connection with his reliance on indices for terraced house values in Hartlepool. For instance, she said, home.co.uk showed terrace house prices averaging £72,567 in February 2007 whereas houseprices.com indicated the figure at £53,775 at the same date, and not surprisingly, he used that lower figure to lend support to his views when then applying a 51% discount for the "Slater Street effect."

15. Mrs Richardson, both within her witness statement, and during oral evidence, was at pains to stress that she appreciated the difference between the parties was not great in financial terms (based upon what she was seeking and the without prejudice offer that had been received), but in her view it was a matter of principle that needed to be resolved. She had originally suggested the written representations procedure as the appropriate medium by which the reference should be determined (with each side bearing their own costs), but the council

had resolutely refused to agree, and had insisted upon a full oral hearing. She had thus, she said, been bullied into attending with the associated risks as to costs. The council had also appointed counsel to present the case, but she said she could not afford one of her own, hence her attendance in person. She said that their insistence upon an oral hearing over such a small amount was beyond her, but she was aware that there were a number of other claims still to be settled. She said that she was at a loss to understand how Mr Wilson's valuation before this Tribunal could possibly be between £18,000 and £20,000 less than the opinions of the two local surveyors whose opinion she had sought, or that there could be any justification for arguing for a figure that was £20,000 less than that offered and agreed on the Ernest Street comparables.

16. Miss Simpson was the owner of 4 Slater Street. Her statement set out in detail the background to the negotiations surrounding the sale of that property to the council, confirmed that Mr Straughan had been appointed by agreement and that his valuation was final and binding upon the parties. The property was one of three investment properties that she owned within the area that was part of the New Deal Community Housing Plan (2003). Following an approach by her to Hartlepool Revival, she received an offer of £22,750 for 4 Slater Street on 19 November 2003, which she refused. She then appointed Mr Richard Cruddas FRICS of Browns Survey & Valuation Department to negotiate on her behalf with Mr Wilson who was acting for the council. Mr Cruddas advised that he considered the value to be £25,000 but in response to his suggestion that that was an appropriate figure, Mr Wilson said (on 20 February 2004) that he "remained un-persuaded" by Mr Cruddas' evidence.

17. Miss Simpson said that as she was aware property prices were continuing to rise, she put 4 Slater Street on the market with Manners & Harrison, local estate agents, on 22 March 2004 at £28,500. The revised offer in that sum that Mr Wilson said he had made to Mr Cruddas on 2 March 2004 had never been communicated to her. She said she did receive an offer of £30,000 from a private buyer but that eventually fell through. Following some further fruitless discussions with the council during 2005 in connection with the possibility of her swapping two of her properties for one of theirs that had been acquired but was no longer needed, she said that she and Mr Cruddas attended a meeting with Emma Dixon and a Nigel Johnson from the council on 21 December 2006 to see whether an agreement could finally be reached. As the council was clearly not prepared to negotiate on her revised figure of £43,500 (the average of Mr Cruddas's opinion of its worth at that date, and another valuation by Mr Cavey), Miss Simpson said she sought, and the council agreed, to a binding ADR procedure. That produced the value for which the property was eventually sold, £48,000.

18. As to the other properties that she owned, 8 Carr Street which had originally been part of the proposed New Deal area, but was eventually not required, was sold on the open market at £36,000 on 12 January 2005. However, it was re-sold on the same day for £45,000. 12 Jobson Street was valued by Mr Wilson in May 2007, and he made an offer of £36,000. However, she said that this was refused in the light of the evidence of the prices that had been achieved for 3 & 27 Jobson Street (as recorded in Mrs Richardson's evidence), in January 2007.

Acquiring authority's case

19. Mr Wilson explained the methodology he had used to establish values for the many hundreds of properties that were required for the Hartlepool Revival scheme. He said that when he was first instructed, he anticipated that there would be the need for a CPO and therefore adopted an approach that ignored the effects of the proposed scheme – both positive and negative. It was expected, he said, that the redevelopment and regeneration works would have a positive effect upon the values of properties remaining within the scheme, and on the periphery. The transfer of many investor owned properties to the private, owner occupier sector, the removal of anti-social tenants and the diminution in the supply of terraced houses in the poorest and lowest value areas and their replacement with new houses at lower densities would serve to give the area a sense of renewal. Remaining older housing stock could be expected to attract improvement grants and the extensive environmental and street improvements, new parks and green spaces would transform the area in general.

20. In his view, therefore, it would have been dangerous to rely upon transactions that occurred once the scheme had come into the public domain (as indeed Mrs Richardson had done), so he examined the evidence of all sales that had occurred prior to May 2003 in streets that were to be affected and in the surrounding area. For instance, in Slater Street there had been 11 sales between December 2000 and May 2003. Being able to gain access to assess condition and to measure them, he was able to establish a price per sq m. However, properties varied considerably in terms of their condition and the amount (if any) of modernisation and repairs that had been undertaken. He therefore devised a “base value” and added sums to reflect improvements including allowances for central heating, new kitchen/bathroom fittings, quality of decoration, double-glazing and similar factors. He also deducted figures for matters of disrepair. From a basic price of £300 per sq m (prior to adjustments) applicable in early to mid 2003, Mr Wilson said he applied inflationary increases as time went on to reflect general movement in the property market. The base price became £450 per sq m by June 2006, and £500 per sq m by the valuation date.

21. As to 17 Slater Street, Mr Wilson said that he eventually gained internal access on 18 January 2006 following the claimant's request for an updated valuation, and he measured a gross internal floor area of 62.4 sq m, but in performing his calculations, he adopted Miss Dixon's recorded area of 62.7 sq m. He said that he made an offer, adjusted from the £450 psm base applicable at that time, of £30,000, but this was rejected. Subsequently, on the basis of the 4 Slater Street settlement, Miss Dixon had increased the offer to £45,600. It was only, he said, at a much later stage and following further discussions with the claimant's former surveyor, that Miss Dixon's error in misinterpreting the gross external floor area of 4 Slater Street became clear. He said that if he had seen Mr Straughan's valuation earlier, the problem of how Miss Dixon came to her figure of £45,600 for the subject property would have been “instantly clarified.” Mr Wilson said that he had inspected 4 Slater Street on 12 November 2003 and it had a gross internal floor area of 64.9 sq m. In formulating the offer of £28,500 that he had put forward to Mr Cruddas (which was the one Miss Simpson said she had never received), he said he took 64.9 sq m at £335 [base figure] to give £21,731 and added £7,000 by way of plus and minus adjustments for condition and state of repair to give £28,731 – say £28,500.

22. As to Mr Straughan’s valuation of £48,000 for 4 Slater Street, Mr Wilson said he devalued that figure himself by taking that as an end value, and deducted £7,000 for “improvements etc” to give a base price of £41,000 which at 64.9 sq m gave £632 per sq m. This was, in his opinion, far in excess of the statistically correct figure which his own, substantial analysis, revealed. It was unfortunate, he said, that Mr Straughan had not asked him for input to the valuation as he would have known that, as the council’s appointed valuer, he had substantial comparable evidence at his fingertips. Regarding Mr Billingsley’s opinion of value for 17 Slater Street (based upon Mr Straughan’s analysis of 4 Slater Street), Mr Wilson said he had taken the £663.90 sq m and multiplied it by the TOTAL SITE AREA of the subject property and then made further adjustments to give his £64,000. This was clearly incorrect.

23. Turning to his own opinion of terraced house values in Hartlepool at appropriate dates, Mr Wilson devoted several pages of his report and a number of appendices to explaining, by detailed statistical analysis, how he came to the conclusion that, at the valuation date of February 2007, the appropriate “base price” (on his adopted methodology) had risen to £500 per sq m. The source material used to gauge the affects of inflation were home.co.uk and houseprices.com. The last property sale in Slater Street (no. 23) prior to the CPO inquiry was at £35,500 in July 2006. Using his methodology, and after making allowances for double glazing and high quality fittings, that analysed out to £450 per sq m. Similar figures were being achieved in other sales in the area at that time. Statistics available from average prices achieved on properties in Hartlepool since that date indicated an increase of 7% by February 2007 (£481 per sq m), but the statistical analysis of sales and re-sales of 6 Hopps Street (a similar property only 250 metres from Slater Street), broke down to £501 per sq m. For the purposes of this exercise, he adopted £500 per sq m, and his valuation was thus:

62.4 sq m at £500 per sq m		£31,200
ADD for improvements	£8,000	
DEDUCT for repairs	<u>£2,000</u>	
NET addition		<u>£ 6,000</u>
		£37,200

24. Mr Wilson insisted that his approach, of analysing pre-scheme sales and applying inflationary increases to reflect the continuing rises that were taking place in the property market generally, was safe and reliable, and his adopted methodology served to exclude any effects, whether good or bad, that the scheme may have had on values in the area. It took into account also his views of the discount that needed to be applied when comparing locations like Slater Street with terrace house prices in Hartlepool in general. Conversely, the claimant’s reliance upon sales that took place in 2007 (other than the obviously unreliable back-to-back sales) reflected the significantly positive effects that the scheme, which, by then was already well under way, had upon the market. He said that he stuck rigidly to his adopted methodology and did not, in undertaking broad analyses, include figures from properties where settlements, through negotiation, may have been out of line with his range of values. It was clear from all the evidence, he said, that his analysis of the value of the subject property was correct, and that undertaken by Miss Dixon based as it was on erroneous information, was wrong. Mrs Richardson had not appreciated that, historically, Slater Street had underperformed the general

Hartlepool market for terrace houses by about 30%, although she had admitted at the Public Inquiry that there was a limited market and houses in the area had been difficult to sell.

25. Regarding 26 and 38 Ernest Street, Mr Wilson said that the reason he had not included them in his analyses was because they were a totally different type of property. Being right on the edge of the scheme area with a pleasant, outward facing outlook onto bungalows, and having been built in the 1930s were of 11” cavity construction, had been re-roofed and incorporated UPVC double glazed window units. Ernest Street was significantly more valuable, historically, than Slater Street. Questioned by Mrs Richardson, Mr Wilson insisted that the price he agreed with Mr Allison was not in any way inflated to avoid the matter proceeding to the Lands Tribunal, and was entirely in line with his basis of valuation.

Conclusions

26. On the face of it, Mr Wilson’s methodology and approach appears sound, being designed, as it was, to exclude any effect that the development of the Hartlepool Revival scheme might have had on properties in the immediate area or on the periphery, either positively or negatively. I accept that the settlement on 4 Slater Street, resulting from the ADR exercise, if analysed in the way Mr Wilson demonstrated, seems to be well out of line with the general level of settlements that had been agreed on that street up to July 2006 (even allowing for price inflation) to February 2007. I also acknowledge counsel’s submissions that Mr Straughan did not produce comparables to support his figure, even when requested to do so. However, the fact remains that he was appointed as an entirely independent valuer, who was local to the area and as Mr Wilson admitted, was knowledgeable and highly respected. Mr Straughan had said that he had used his knowledge of prices achieved in the area to arrive at his opinion, and acknowledged that he was assuming a “no-scheme world”. His opinion, therefore, cannot in my view be completely dismissed and it is a fact that the parties (to that valuation) had agreed to be bound by it. It was a very similar property to the claimant’s but had only 2 bedrooms. It was almost identical in area and, of course, was located on the same street and valued as at the same date. The figure of £48,000 was not, it would appear, arrived at upon the same basis as that adopted by Mr Wilson and it is not surprising, in my judgment, that Mr Straughan did not seek information from him. Not only was Mr Wilson not instructed at the time, but he had been (and would again become) the council’s appointed valuer.

27. It is the evidence relating to the settlement that Mr Wilson agreed with Mr Allison in respect of 26 and 38 Ernest Street that most leads me to question his conclusions on the subject property. It was disappointing that Mr Wilson did not refer to them in his report and, in the knowledge that the claimant was relying upon them, did not make any attempt to provide details of how he had performed his valuation analysis which, he said, was the precise basis upon which that settlement was reached. He simply dismissed the evidence on the grounds that the properties were entirely dissimilar. Whilst it is clear that in terms of construction (being slightly newer) and condition (new roof), they might have been more attractive to the market, they were very similar in size, appearance and, particularly, location. Although the outlook might have been marginally better, and historically Ernest Street might have been a more attractive proposition in marketing terms, I tend to agree with Mrs Richardson that an £18,000 to £20,000 difference seems unsustainable.

28. I also find that I can attach no weight to Mr Wilson's reference to house price indices extracted from two websites. That was not comparable evidence that could be proven, and in any event the results were not agreed. Furthermore, the wide disparity between the two results for February 2007 must, in my view, put a large question mark over their reliability. In his long and complex analysis of sales that occurred in Slater Street between 2000 and 2003, Mr Wilson appears to treat any sale at what he considers to be higher than average prices (see 5 & 7 Slater Street) as "suspect", but gives no grounds for those views. He also dismisses a sale at auction in December 2004 (13 Slater Street) because it was purchased "unseen". That produced, on a price per sq m basis, £497. However, in the next paragraphs of his report he said that he was assessing values in mid 2004 and January 2005 at £345 psm and £425 psm respectively. He also refers in one part to Slater Street being 30% below the average for terrace house prices in Hartlepool, but in another paragraph to that discount being 51% and applies it to the lowest of the two website results to give a mathematical result.

29. Mr Wilson's analyses certainly appear to me to be somewhat self-serving, and I am not convinced that his rigid adherence to this methodology, in justifying a value of £37,200 for the subject property as at the valuation date, realistically reflects what the market would have paid. It was accepted that whilst Slater Street was one of the poorest areas of Hartlepool (hence its very inclusion in the regeneration project), the subject property was in reasonable order, centrally heated and habitable. As I have said, I am not persuaded that the difference in value between it and the two houses in Ernest Street could be anywhere near as much as Mr Wilson suggests. Doing the best that I can, and in the light of my comments above, I conclude that the correct value for 17 Slater Street in February 2007 was £49,000, that representing a discount to the Ernest Street properties of about 15%. That is also marginally more than the figure settled on 4 Slater Street, and would account for the additional bedroom. On the strength, principally, of the Ernest Street settlements I am satisfied that a figure of just under £50,000 appropriately reflects the value of the subject property at February 2007

30. I therefore determine the amount of compensation for the compulsory acquisition of 17 Slater Street, Hartlepool in the sum of £49,000. For the sake of completeness I confirm, as I indicated at the hearing, that I attach no weight to the claimant's other comparables, virtually all of which sold back-to-back on the same day. It is not for me to speculate as to why that might have been, and in any event, not only does that pose a serious question over what the market value was, but they are also all post scheme sales, and will undoubtedly have been affected by it to some extent, probably in a positive fashion.

31. This decision disposes of the issues in this reference, and will take effect once the question of costs has been resolved. A letter is enclosed setting out the costs procedure.

DATED 13 May 2009

P R Francis FRICS