# FOCUS ON A SPECULATOR

MICHAEL HEFFERON is a Liberal councillor and a property speculator. This special Free Press investigation shows some of the things he's been up to...

• He is due to receive about £250,000 in public money to develop his growing empire.

• He has appeared in court for breaking the fire regulations.

• He has received numerous orders from Liverpool Public Health officers to do repairs.

• He has used a loophole in the Rent Act to overcharge his tenants.

Mr Hefferon, who lives in Maghull, specialises in buying large houses which are ideal for converting with the help of grants. In May this year he was elected a District Councillor for Tuebrook.

COUNCILLOR Michael Hefferon (pictured left) is the principal of Vandyke Investments a firm of estate agents and property developers based at 18b Moss Street. Liverpool.

There are 5 associated companies. Liverpool Vandyke Properties, Vandyke Estates, North West Properties, Mossley Estates and Lawrence & Hirst (Liverpool) Ltd.

Councillor Hefferon is one of the four directors of Lawrence & Hirst and owns 49 of the 200 shar Vandyke Properties has two directors - Michael and Joan Hefferon who each own half the shares. This company has published no accounts since April 1969, when rent would not be paid until the made a £59 loss... after paying

the directors took home £4,000. When these accounts were pubhad not got under way so the present situation is probably a good deal healthier than these figures

Councillor Hefferon's wife, Joan runs Nova Fashions, a chain of

# TENANTS OVER-CHARGED

A TENANT who moved into one of Councillor Hefferon's properties in Princes Avenue paid a monthly rent of £19.50 for a few months before discovering that the registered rent

was only £14.50. When the discrepancy was brought to the notice of Councillor Hefferon he admitted the 'error' and agreed that difference had been made up.

the directors £2,000. The year before Now Councillor Hefferon's firm also owns the house next door. When these tenants realised their neighbours lished the improvement grants boom rent was fixed at £14.50 they decided to check out their own rent. And would you believe it - Councillor Hefferon had made the same

A loophole in the 1965 Rent Act means a landlord can charge more than the registered rent without being

But a tenant who discovers he has been overcharged can recover up to two vears' excess rent. If he's been paying too much for more than two years, it's just tough luck. What's more, a tenant who doesn't

realise he's being overcharged can land future tenants in the soup as well. If a tenant pays more than the regist ered rent and leaves without claiming anything back, the amount he has been paying then becomes the legal fixed rent for the new tenant.

FIENDS (a) condemns those property speculators who seek to make capital and rental profits out of improvement grants: (b) believes that housing is a basic human need and that OF THE the provision thereof should be as a service and not as an investment; and that the tenants of improved properties should have a total share in the economic EARTH... benefits of grants; and

(c) calls upon the Association of Municipal Corporations to urge Her Majesty's Government to legislate so that tenants of improved properties can benefit directly from the improvement grants scheme by means

That this City Council gives continuing approval to Governmental assistance in the improvement of older housing

stock in Liverpool by means of grants, thereby preserving

• Motion by Liberal councillors Alton and Bestwick (Liverpool City Council, 4 April). While they were busy attacking the system, another Liberal councillor was busy benefitting from it... see below.

WHILE TWO Liberal councillors have been attacking the way landlords profit from improvement grants, a third Liberal councillor has been making a fortune from them,

communities: and

Councillor Michael Hefferon's firm Vandyke Investments have applied for improvement grants which, when approved, will total £1/4 million.

The recently published Liberal Party document said "We consider that improvement grants should not be payable to anyone who owns more than

Perhaps Councillor Hefferon has been too busy arranging improvement grants and collecting rents to find out what the official Liberal policy is.

But maybe the all-purpose politics of the Liberal party are vague enough to allow the likes of Councillor Hefferon

If not, then councillors Alton and Bestwick can start campaigning now against property speculators... beginning at any of the addresses listed below, where Councillor Hefferon has received

58 Princes Road (7 flats); 60 Princes Road (7 flats); 30 Aigburth Drive (9 flats) 17 Aighurth Drive (8 flats); 7 Princes Ave (11 flats); PLUS a total of 28 Rufford Road, 6. 10, 130, and 158 Princes Ave, 121 Hartington Road, 8 Sunnyside, 128 and 130 Princes Road. At £1,800 per unit, this works out

The grants system allows landlords to increase the value of their property at public expense, and to get more rents- often at no benefit to the orig-

### LANDLORD IN COURT

THE LACK of fire precautions in Liverpool's hotels has recently been publicised by Councillor Trevor Jones. deputy leader of the city's Liberals.

But the flouting of fire regulations by one of his fellow Liberals - landlord Michael Hefferon – has received less

Earlier this year Mr Hefferon's Vandyke Investments were fined a total of

£50 for failing to provide means of escape in two properties in Princes Avenue. Mr Hefferon asked for three months to pay the fine, and this was

Vandyke Investments were fined £40 for a similar offence in February 1972, in a property in Ventnor Rd. Wavertree The Corporation regard taking a landlord to court as a last resort after numer- have been proposed yet. ous requests and reminders have failed.

or applied for grants...

100 flats at 27 Hibernian Road, 23 and at a grand total of £250,000.

ing buildings. Tenants on one of Mr Hefferon's properties in Aigburth Drive believe he wants to build flats at the rear of this imposing house - on the well-kept lawns.

IN HIS EFFORTS to build as many

flats as possible Councillor Hefferon

Last year Vandyke Investments applied for planning permission to

convert two properties in a conserv-

ation area in Belvidere Road, Liver-

extensions - one on either side and

The council refused permission on

the grounds that the four extensions

constituted "over-development and an

increase in cubic capacity excessive in

relation to the original home." The

extensions on the side were "out of

character and visually incongruous."

Vandyke Investments later made a

second application omitting all four

But not to be defeated in their

Vandyke Investments submitted

attempts to deface the environment,

similar barbaric plans for a property

Here they planned to convert the

Permission was once again refused as

property into two flats and build a

2-storey extension containing two

development of the site and would

the extension would mean over

further flats.

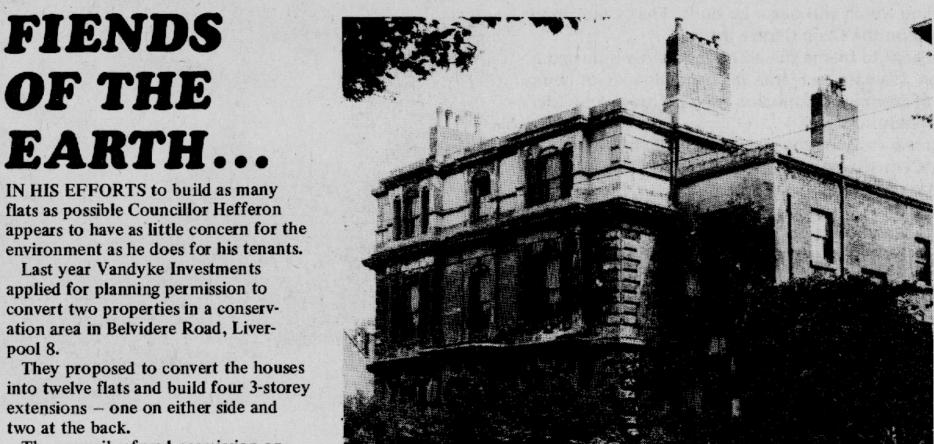
in Charles Barrington Road, Liver-

extensions, which was granted.

two at the back.

He's since received planning permssion to convert the house into nine lats. Thankfully no flats at the back

### A FREE PRESS INVESTIGATION



• No. 3 Devonshire Road, Toxteth - the subject of two Notices of Disrepair.

## Like it—or leave it

MR KUEHNLE and his wife, private tenants in a flat in Liverpool 8, have been without hot water for the last 18 months. Their wiring circuit is dangerous and their roof leaks in bad weather.

Not an unusual state of affairs in Toxteth, a happy hunting ground for many profiteering landlords.

Just the type the Liberals can get their community action teeth into when they take over control of the city, you might think.

Well, here's bad news for those riding the Liberals' community politics band waggon - you've got a spanner in the have a detrimental effect on neighbour- wheels. This particular landlord is Lib eral councillor Michael Hefferon.

For his services to Mr Kuehnle and his wife, Councillor Hefferon receives £3.121/2 a week (exclusive of rates).

The services include unearthed plug sockets which resulted in Mr Kuehnle Luckily his wife was near by to switch off the current.

Mr Kuehnle wrote to Councillor Hefferon, demanding immediate repairs.

> Councillor Hefferon wrote back: "Regarding accommodation you occupy, if it is in such a deplorable condition that you make out then the best advice I can tender is for you to seek alternative accommodation...

"Liverpool City Council fixed a fair rent on the premises and services of the flat you now occupy in their present condition at £3.121/2 a week, exclusive of rates. So you see Mr Kuehnle you are only getting what you paid for. Mr Kuehnle is now on rent strike.

 Vandyke Investments have notched up quite a score of Notices of Disrepair under various sections of the Public Health Act.

Last year they received notices on four properties, and so far this year receiving burns from the electric kettle. they've had notices on six

P.M.C. INVESTMENTS. Set up by Henry CROMPTON COURT. Company owns Carr in 1956 to give his children a good have included: £7,000 to Whetstone

Park Developments (without security and of the Carr empire.

property trading company. Carrs bought

Bought 10 acres of land at Rainhill in 1959 and 10 acres at Melling in 1961 Directors: Cyril Carr (33 shares); Malcolm Carr (34); Dr Alex Stone (his wife

MERSEYSIDE OFFICES. Property investment company. Dormant since 1966 when it sold its only property - Carr's office in Victoria Street - to Prelle & Co, another Carr firm. Directors: Cyril Carr (34 shares); Malcolm Carr (33); Dr Alex Stone (his wife has 33 shares) MERSEYSIDE DECOR AND MAIN-TENANCE. Small building contractor

shares); Malcolm Carr (33); Dr Alex Stone (33); Pat Stone (-). MERSEYSIDE FLATS. Property in-

WHETSTONE PARK DEVELOPMENT

'travel service' is rather a mystery unless it's the rent collector's trips to Bootle and Kirkdale where the company has 14 properties. Also under-leases a shop and carries out land development

"when the opportunity arises." Cyril, Malcolm and Dr Stone bought the

company in 1961. BONORA INVESTMENTS. Among the Malcolm Carr (374); Mrs B Pollecoff (226 eight directors appointed in 1961 were Cyril Carr, Malcolm Carr, Pat Stone and her husband. Together they own half the shares. Assets £98,479 in 1967.

> Crompton Court, a block of 43 luxury flats near Calderstones Park, built about 1960 at a cost of £146,000. The most recently registered rent there was £10.10 a week for a second floor flat (unfurnished, £1.44 service charge included). On of the Carrs' more profitable companies (£5,192 before tax in 1969). Profits dropped in 1970 after one wing of the building was pulled down. Company accounts give no explanation for the demolition. Directors: Cyril Carr, Malcolm Carr, Dr Alex Stone and Jonathan Jacobs (a director of 41 companies). The Carr trio own half the shares.

PLIRNA PROPERTIES. Property dealers. Registered 1961, Cyril, Maloolm and Dr Stone are among the directors and together own half the shares.

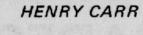
REBUFF PROPERTIES. Registered 1964 as Rebuff Builders. Directors: Cyril Carr (2 shares); Malcolm Carr (2) Dr Alex Stone (2); Jerome Wilson (3); Austin Wilson (3). Became unlimited in 1969 and no accounts have been

HURLAM, Business: Development of caravan site in Portugal. Present directors Cyril and Malcolm Carr, Dr Alex Stone, Joseph Khan, Jerome and Austin Wilson. GARMOYLE INSTITUTE. After all the other companies, Cyril's directorship of this one is almost a joke. For this company owns only one property... the Liberal Party headquarters in Smithdown Road.

### CYRIL'S PREVIOUS **DIRECTORSHIPS**

HENRY CARR & CO. Estate agents. Unlimited company, registered 1958. Original directors: Dr Alex Stone (1 share); Cyril Carr (-); Malcolm Carr (1). Cyril and Malcolm handed over their seats on the board to their wives, Hilary resigned in 1963 and were replaced by George Oliver, an estate valuer and George Gerrard, a chartered accountant who is secretary of several Carr firms. Company administers some of the firms listed above - in 1970 it received £1,000 for services to Merseyside Shop Properties Ltd.

Camera Productions; Paul's Carpet Warehouse; Hoolsam Caterers; Brian Paul Holdings; Duma Florentals; Floral Supply Service (L&P); Bailey Brothers Birkenhead; Artab Investments; Teroba Investments and Tiffany's Restaurants.



### THE CARR **FAMILY**

HENRY CARR. Estate agent and property developer. Among his companies were Alt Park Estates and Ricar Estates. Lived in Menlove Avenue, Liver pool, but wintered on the Riviera. Died in 1958. Survived by his wife, BERTHA.

CYRIL CARR. Henry and Bertha's elder son. Born 1926. Went to Liverpool College. Served in Royal Signals towards end of World War II. Took law degree at Liverpool University and became a solicitor. Liberal councillor since 1962. Lives in Yew Tree House, a mansionlike house overlooking Calderstones

MALCOLM CARR. Cyril's younger brother. Also a solicitor - joined his brother in the law firm Cyril Carr & Carr in 1952.

PAT STONE. Cyril's sister. Married ALEXANDER STONE, a Liverpool doctor in 1952. Runs a smart antique shop in South John Street (Pat Stone Antiques Ltd).

throughout Liverpool. A Liberal councillor since 1962, he is due to been national chairman of the Liberal Party, and he could become MP for Wavertree at the next General Election.

Cyril Carr, businessman and Man-of-Property is less familiar. By profession he's a solicitor. Even The Times describes him as a 'wealthy' solicitor. But that's only half the story. For Cyril Carr is a director of

property firms) and has been a

controls property which is probably worth more than £1 million.

The Carr family's rise to fortune began with Cyril's father, Henry Carr. Henry owned a number of slums in Toxteth, but also believed there was inadequate provision for "the man of moderate means.'

It became his mission to provide homes for the 'needy' middle class. And he went about it at phenomenal speed. In one area alone - Maghull - he during the mid-Thirties he bombarded the local council with planning applications at a rate of almost one a day. By

1937 he had completed 700 houses

there... with another 700 planned. A magazine of the times, The Liverpolitan, praised his achievement and commented that in only a few years Maghull had grown from a small rural parish into a town. Much of this change, it said, was due to Henry Carr and his children.

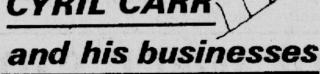
firm Alt Park Estates. Meanwhile young Cyril was growing up. He attended Liverpool College (a public school) and after a spell in the Royal Signals towards the end of the war went on to study law at Liverpool

In 1947, shortly after his 21st birth day, he was given his first directorship. ioining his mother and father on the board of Ricar Estates.

Henry Carr died in January 1958 while playing roulette in a casino at Cannes. He was winning at the time. "It was his custom to spend the winter

Henry left a surprisingly small amount - £35,150 gross (£23,334 net) His personal belongings, all his shares in Ricar Estates and £1,000 in cash went to his wife. But this was not the full picture.

Nearly two years earlier, when Henry was 63 and anxious to spare his family enormous death duties, he had handed over a large part of his fortune to his



He did so by forming a new company, P.M.C. Investments. The initials were the names of his three children - Pat, Malcolm and Cyril - who were given a directorship and 1,600 shares each. Henry and his wife Bertha were the other two directors, holding a nominal 100 shares each.

By 1968 (the last year when accoun were published) P.M.C. was worth £218,349. Today it is probably worth

P.M.C. is the cornerstone of the whole [Motion to Liverpool City Council, Carr empire. Over half its wealth is in 'current assets' (probably shares) which can be sold quickly to provide large amounts of ready cash when the other Carr companies need it.

### VARIETY OF COMPANIES

During the early 1960s Cyril Carr was on the board of a variety of companies, including Bailey Brothers, the Birkenhead house furnishers and Paul's Carpet Warehouse. He now concentrates ors have to starve, however. Ricar shops and flats "as investments" or "as

defence that property companies can ease the housing shortage by providing homes. They do provide homes. But at

hostile noises towards property firms. Liberal councillors David Alton and Eddie Bestwick argued recently: "That housing is a basic human need and that the provision thereof should be as a service and not as an investment"

Investment is exactly what Cyril Carr's businesses are about.

Small profits do no mean the direct-Estates, one of the most valuable Carr companies made only £140 profit in

With property - unlike manufacturing industries — the growth of assets is often more important than immediate



profits. Income from rents and sales is sed to buy more property to get more rents which in turn can be used to buy more property.

list property at cost price - which means that where property was bought some years ago its real value is far more. Ricar Estates, for instance, had assets of £73,035 in 1970, based on the original cost of their purchases. But in the directors' opinion the property was worth £105,000 at 1970 prices. Merseyside Shop Properties announced in 1970 that the market value of the properties was £68,000 more than the £51,672

In their accounts the Carr companies

they paid for them. Although the Carr companies fulfil the legal requirements, their records at Companies House, London, are not always as informative as they might be. Bonora Investments, for example, described their turnover in 1971 as "under

Several of the companies have not filed accounts since 1970. Another firm, Rebuff Properties, chose to become unlimited in 1969 - and no accounts need ever be published.

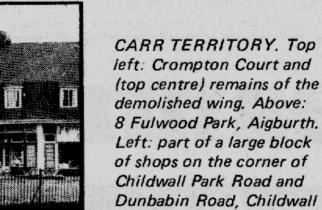
### CHANGING VALUES

£250,000".

Because of changing property values and the lack of information about some of the companies it is not possible to say exactly how much the Carr empire is worth. But if all their property were sold today it would be surprising if the sale raised less than £1 million.

"Forward with the people" was the Liberals' slogan at their Southport conference. When it comes to prosperity Sydney Brayde of 47 Beaconsfield Rd, Cyril Carr is moving forward fast. Leaving most people miles behind.





# Cyril's Portuguese connection...

IN 1969 Cyril Carr joined a scheme to invest £97,000 in Portugal, a country noted for its dictatorship at home and its massacres abroad.

The plan was to build a caravan site

in Portugal, and a new company -Hurlam Ltd - was set up. In this exciting bit of free enterprise Cyril and Malcolm Carr, together with their brother-in-law Dr Stone, were joined by Dr John Maxwell and Arnold Sherman. Maxwell and Sherman are already well known to Free Press readers. Their interest in the commercial side of medicine (locum services) was reported

in issues 8 and I3. The new company was originally based at No 8 Shaw Street, Dr Maxwell's Jerome and Austin Wilson. medical and business headquarters. But more than half the shares were owned by Dr Stone and the Carr brothers.

There were two minor shareholders Woolton and a Mr Eric Frye of Nottingham.

By the end of September 1971 the company had spent £33,536 on the caravan site and had run up an over draft of £39,000.

The directors announced contracts had been signed which would involve spending £15,000 in the future, and "further work not yet contracted for, but necessary to complete the development amounts to approximately £48.500."

More recent accounts have not yet arrived at Companies House. In January 1972 Maxwell, Sherman,

Brayde and Frye resigned. Three new directors were appointed: Joseph Khan of 21 Selworthy Road, Birkdale and Jerome Wilson is a director of

thirteen companies, including the Famous Army Stores Ltd, Cathedral Touring Agency and another Carr company - Rebuff Properties. He lives in a Portuguese-style villa in Elmsley Road, Mossley Hill.

RICAR ESTATES. Founded 1935 by Henry and Bertha Carr. Property worth £105.000 (directors' estimate) in 1970. Present directors: Cyril Carr (374 shares) (226); Pat Stone (374); Dr Alex Stone (no shares). The other 456 shares are in trust for Cyril's mother.

start in life. Buys property and shares as investments. Lends money to other Carr companies - often without strings. Loans no date fixed for repayment); £16,000 to Prelle and Co; £17,200 (interest-free) to Merseyside Flats Ltd; £41,000 to Havas Travel Service. The "rich uncle"

PRELLE & CO. Established 1910 as building material merchants, now a it in 1958. Property was worth £64,000 in 1968. Directors: Cyril Carr (15,000 shares); Malcolm Carr (15,000); Dr Alex Stone (-) Pat Stone (15,000).

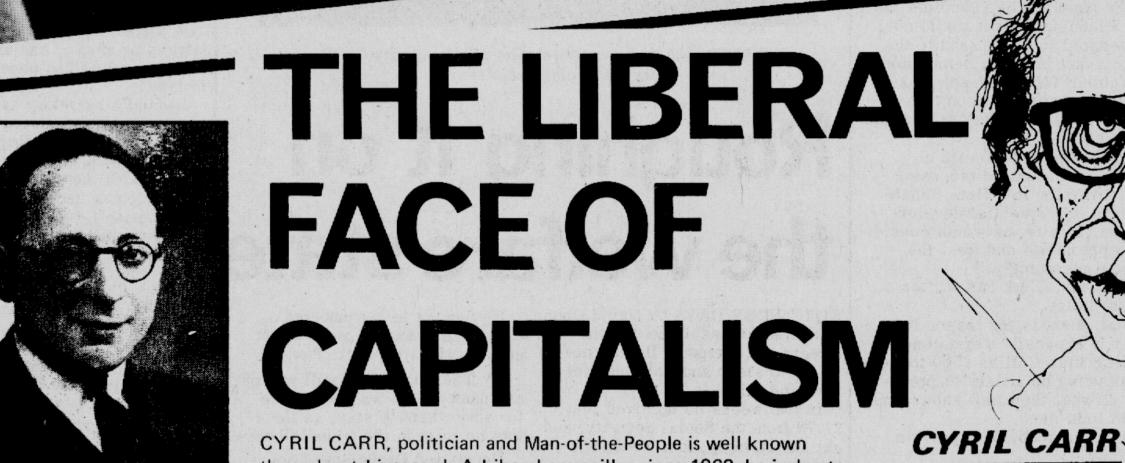
MERSEYSIDE GROUND RENTS. has 33 shares).

set up 1959. Directors: Cyril Carr (34

vestment company. Directors: Cyril Carr (34 shares); Malcolm Carr (33); Dr Alex Stone (2); Pat Stone (32). MERSEYSIDE SHOP PROPERTIES. Property valued at £120,000 in 1970 (mortgages £78,000). Directors: Cyril Carr (33 shares); Malcolm Carr (33); Pat Stone (33); Dr Alex Stone (1).

Bought land for development at Randall Drive, Litherland, Dragon Drive, Whiston and Dudlow Lane, Mossley Hill during the 1960s. Luxury flats were built at Dudlow Lane and 22 of them sold for a total profit of £19,262. Company registered 1956. Original directors: Henry Carr, Ralph Bloomer and Rachel Levy. Cyril, Malcolm and Dr Stone took over in 1960. HAVAS TRAVEL SERVICE. The

and Sally in 1959. Hilary and Sally OTHER COMPANIES which have had Cyril Carr as a director are: Candid



become leader of the District Council in April. For the past year he has

sixteen companies (most of them

director of eleven more. With other members of his family he

on the Riviera," the Daily Post noted.

on property, buying or developing trading stock." It is sometimes claimed in their

a price. They are in business to make money from rents or from speculation. The principle is the same whether they are run by Liberals or not.

Occasionally Liberals themselves particularly the younger ones - make

4 April 1973]

How much money do the Carr companies make? The highest profit shown in the records was £5,474 before tax (Crompton Court Ltd, 1968). Profits of several hundred pounds are more common, and there are occasional

1970... AFTER the directors had been paid £5,900.

