

# Hoarders mop up in forced rail land sales

THE British Government's policy of forcing the sale of public land to raise cash for current expenditure is working.

But evidence that this method of raising revenue is not the most efficient now comes from Sir Robert Lawrence, chairman of the British Rail Property Board, writes *P. E. Poole*.

The cash flow needs of the railways forced land sales which raised £40m. gross in 1979.

Since 1964, the railways have sold 82,000 acres for £267m. These deals may have yielded lump sums for the railways, but they have not always led to productive use of the land.

For as the Board states: "Some of this land is still to be developed by new owners."

*The hoarding of land can only be attributed to the speculative motive.*

The Property Board is not entirely happy with its programme of land sales. Sir Robert noted at a Press conference: "It should not be forgotten that once land is sold its income, or potential income, is lost to the railways forever.

*"We have sold property which, in a different climate, we might have retained for its growth potential.*

"The pressures on the Railways Board for cash are considerable and are likely to remain so for the foreseeable future. However, we do not see it as part of our policy to sell at any price."

A rational land tax would stimulate sales of unneeded land. Vacant land held for sound operational purposes could be retained in portfolios without difficulty, but land held for speculation would be forced onto the market at realistic prices.

This may deny future income to present landowners, but it would maximise output to the general benefit of the whole community!

The existing Development Land Tax, however, far from encouraging an efficient use of resources, is having what Sir Robert called an "inhibiting effect" on development.



## London is SINKING!

DOWN IN the lower reaches of the Thames, just along the river from prosaic Woolwich, a civilian army is engaged in a battle to demonstrate man's ability to master the forces of Nature. Some 1,500 people are at work, at a cost of around £422m, building the world's largest moveable flood barrier. The aim is to protect London from the ocean surges which, powered by deep depressions in the Atlantic, are funnelled up the Thames from the North Sea and, when coinciding with high tides, threaten to inundate 45 square miles of the capital.

The flood threat to London is centuries old. Severe floods occurred in 1236 and again in 1663. Over 100 people have died in overflows of the Thames since 1930.

But the risk today is greater. London is slowly sinking into its bed of clay while, at the same time Britain is gradually tilting towards the Continent, causing London and the south-

east to settle about one foot every century. Added to this, tides are getting higher, so flood levels at London Bridge can now be two feet higher than they were 100 years ago.

REPORT BY  
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The consequences to Londoners of major flooding are frightening. More than a million people who live in the threatened area and the 250,000 homes, factories and offices would be in dire danger. Thousands of cars and other vehicles could be swamped. Gas and electricity supplies could be dislocated, affecting homes, hospitals and factories well beyond the flooded areas. Water would be contaminated. Transport could be paralysed. Thames bridges and tunnels could be made unusable and the Underground could be out of action for several months.

The direct cost of all this damage



● The Thames barrier being built at Woolwich

# So Who Is PAYING?



might be as high as 3½ billion pounds. The indirect cost could be many times as much.

The conventional method of protecting a town from floods is to raise the river walls. But in London's case the amount of raising would need to be about six or seven feet – enough to destroy the character and attraction of the river. So we are to have a barrier *across* the river, a barrier that must be strong enough to resist the avalanche of floodwater at the peak of its force yet adaptable enough to allow shipping to pass in normal times. This means a moveable one – a system of giant floodgates which can be winched into position in a matter of minutes once the storm tide warning is given.

Imagine a slice taken from a Swiss roll, not across the circular section but along its length, producing a long, crescent-sectioned plank, flat on one side and curved on the other. This is the shape of the six enormous hollow

steel gates, some half the size of a football pitch, which are being built length-wise between concrete piers across the river to form the main part of the barrier. By the end of 1982 they should be in position across Woolwich Reach.

During normal times these "rising sector" gates will lie flat on the river bed, curved side downwards, allowing shipping to pass over them. But when the danger signal is given the hydraulic machinery will spark into life and the gates will swivel through 90 degrees to present their curved surfaces – a battle-line 570 yards long and the height of a 5-storey building – to the incoming surge.

There is no doubt that the barrier will be a prestigious feat of engineering of which the designer, a Londoner named Charles Draper, and the Anglo-Dutch engineering contractors will be justly proud. And more than a million Londoners will sleep more soundly in their beds.

But an important question arises. Who pays? Who should bear the cost of making these 45 square miles safe for their inhabitants? At the moment, 25% of the bill is being paid by the Greater London Council and 75% by the Government. But should London ratepayers outside the flood area be called upon to pay for construction work from which they will not benefit? And should the lion's share of the cost – more than £300m – be borne by taxpayers all over the country who probably have never been nearer to London than seeing the Lord Mayor's Show on television?

Opinions on these matters may vary. But of one thing we can be sure. Once the flood threat is removed, land values in those 45 square miles will rise as inexorably as any flood water.

Since Britain does not allow public access to official records of land ownership it is not possible to identify all the owners of the threatened areas of the capital nor to assess the effect of raising the £422m cost by a tax on their holdings. All we can say is that, in lifting a burden from the minds of the million inhabitants, the Thames barrier will swell the bank accounts of the fortunate few who own that 45 square miles of dry land.

## The megalopolic step!

"IN CONFRONTING pollutions and miseries on such a scale, governments may be tempted to throw in their hands," noted the widely-acclaimed – but unofficial – report to the UN Conference on the Human Environment held in 1972: a conclusion which the official inactivity of the past eight years appears to vindicate. Nonetheless, it is worth reminding ourselves of the priority area for action which the two distinguished authors of the report optimistically identified.

"But there are a number of policies, mutually supportive and reinforcing, that can be undertaken, *provided one preliminary step is taken* – and that is not to repeat the ridiculous complacency of market economies and suppose that commodious, convenient and beautiful cities with a proper variety of classes and an underlying sense of social balance and *esprit de corps* can be produced by the unregulated operations of a speculative land market. In few areas have single-thrust economics, transferring the profits created by social needs to private owners, so radically influenced and often distorted the functioning of the whole community. If, with all their wealth, Western societies have produced so many inconvenient and ugly cities – not to speak, in some of them, of flagrant injustices – developing societies, short of capital of every kind, will fare infinitely worse if they allow their urban land value and building costs to rise to the point where they are unable to afford an urban policy, however well they may have designed it in the first place. In India, for instance, the element of land costs in housing in big cities is already three times higher than in smaller towns and this is a major reason for the increasing degradation of big city shelter.

"The first principle is therefore a policy for land use, for the purchase or close control of urban land, and either the prevention or the securing for public purposes of speculative gains from rising land values. *Without these, there is simply no conceivable way in which developing megalopolises will improve for the majority of their inhabitants. On the contrary, they are certain to grow worse.*"

Barbara Ward and René Dubos, *Only One Earth*, Harmondsworth: Penguin, 1972, p. 252. Italics added.

### Vacant Land in four London boroughs, 1979

	No. of sites	Area in hectares
<b>LAMBETH</b>		
Public <sup>1</sup>	64	17.20
Private	90	9.51
	154	26.71
<b>HACKNEY</b>		
Public	92	18.90
Private	218	22.00
	310	40.90
<b>SOUTHWARK</b>		
Public	237	327.00
Other	79	18.00
	316	345.00
<b>TOWER HAMLETS<sup>2</sup></b>		
Public	400	173.00
Private	127	25.00
	506	198.00

1. Includes land owned by borough councils, GLC, statutory undertakings and central government.
2. Because some sites are in more than one ownership, these figures do not sum to total.

SOURCE: *30 Square Miles of Wasteland*, London; National Federation of Self Employed and Small Business Ltd., 1981. 50p.