

**T**HE Greater London Council owns over £1,000m. worth of land and buildings which it classifies as "surplus."

This is the damaging admission from Horace Cutler, the GLC Tory leader who now wants to sell off this property to finance some pet projects.

Under the austerity programme implemented by the incoming Tory Government, at Westminster, Mr. Cutler knew that the GLC would not be able to borrow money to finance capital spending.

So he turned his eyes on their property: and found that they were sitting on a vast treasure which, if sold off, would pay for things like the Jubilee Line underground extension.

But what looks like sound handling of its affairs began last October with a scandal, when the *Evening Standard* exposed the GLC's speculative hoarding of land.

**R**EPORTER Peter Hounam turned up examples of curious land deals which failed to relate in any rational way to the functions of the GLC.

**Beansheaf Farm.** The 8.3-acre site in Berkshire was bought—and the farmer's cows allowed to graze upon it for seven years for nothing. Cost to London rate-payers: £3m., including £1m. in debt charges incurred while the cows munched away....

**The rugby ground.** In 1972 the council bought the rugby ground in Minehead, 180 miles away from London. Cost: £250,000. Six years later, half the ground was still being used to graze sheep.

**The Medway acres.** Over £4m. was paid for 85 acres in Kent: an extra £2m. in debt charges have since been incurred. The land remained fallow, and is now being quietly disposed of.

As a result of an enquiry, at least 200 acres were identified in nine counties. GLC housing chief George Tremlett admitted that debt charges of over £4.5m. had been wastefully incurred.<sup>1</sup>

And now it emerges that the



**HORACE CUTLER, GLC leader who was knighted in last month's Queen's Birthday Honours List, on a piece of publicly-owned land he wants brought back into use: but does he have the right ideas? Fred Harrison reports.**

## The £1,000m. public property scandal

council owns £150m. of surplus property outside the capital, most of it bought at prices at the top end of the market when speculators were gazumping each other in the years of the land boom in the early 1970s.

**T**HE PROPOSAL that publicly-owned land could be sold off to pay for public spending was promoted during the general election in May.

Michael Heseltine—now Minister of the Environment—used the example of land sales to explain how, if installed in power in Westminster, they would cut taxes and public sector borrowing while maintaining the present level of spending on things like the Health Service.

The idea was attractive to Mr. Cutler, who was sitting in his office across the river in County Hall. The GLC's investigation had revealed £1,000m. worth of property within the capital's boundaries which was surplus to requirements.

"I'm staggered at the amount of land and buildings we have

accumulated over the years," said Mr. Cutler.<sup>2</sup> "It's been squirrelled away, and the figure of over £1,000m. applies to the GLC's holding only.

"How much more is owned by other public authorities such as the Gas Boards and British Rail? We've got to get down to using this land so I'm hoping the Government will take it up and begin its own survey."

But the scandalous waste of taxpayers' money and natural resources provoked no public outrage. Governments—both Labour and Tory—are responsible for the wasteful accumulation of land into public ownership over the decades, and a full-scale investigation would only injure political reputations.

The sale of land would bring in a once-for-all bonanza, but would fail to yield the continuing benefit to the exchequer which would result from a switch to a rational fiscal system based on land value taxation.

1. *Evening Standard*, 10.10.78.

2. *Ibid.*, 15.5.79.