

## news in brief...

**Resigned Registry** The Land Registry plans to axe a total of 2,300 staff by the end of 2011. The cause of the dramatic cuts is the current recession, which has caused fewer property transactions and thus a decrease in income from registration fees. The Registry will also sell its London head office.

While much more radical cuts were feared, but were prevented by union lobbyism, the move does not bode well for the quality and extent of the shared knowledge of UK land holdings.

**NZ rules out land tax** New Zealand's National Party Government appears to have ruled out the implementation of a land value tax, despite recommendations from its own Tax Working Group that it should introduce such a tax.

In a statement in February Prime Minister John Key told the New Zealand parliament: "A land tax is effectively a lump sum tax on people who own the land at the time the tax is introduced, would only fall on people who hold their wealth in one particular form, and would create cashflow problems for many landowners, especially those with lower incomes."

A major shake up of the New Zealand tax system is still expected in the next budget, due on May 20th.

## City farms to use abandoned land



City farmers from across Europe have been visiting Bristol to find out more about a new project in the city that will make unused land available for agriculture. The government backed community land bank project was started after there was a sharp rise in demand for land to be cultivated but not enough allotments to go around. The Federation of City Farms and Community Gardens (FCFCG), a Bristol-based charity, is attempting to solve the problem by appealing to landowners such as Network Rail, the NHS and Bristol city council

## New London considers LVT



The small US coastal city of New London in Connecticut is currently debating replacing building taxes with a new Land Value Tax.

The city of roughly 25,000 inhabitants, was designated a 'distressed municipality' by the state in 1990, meaning about half its budget comes from state aid.

Attempts to redevelop the city's waterfront sparked an epic battle with landowners over who owned the land, leaving large areas empty after plans to develop them fell through. In the downtown area, nearly one in three buildings is vacant.

"As it is, owners of thriving, productive buildings pay more in property taxes than absentee landlords with abandoned buildings," says Art Costa, a member of the committee

promoting the LVT idea.

"Land value taxation would shift the burden onto property owners letting their land lay fallow, urging them to build or sell to someone who will."

It would also encourage the restoration and upkeep of New London's historic buildings, which are often left to crumble, in fear of rising assessments, he said.

Yet nearly half the committee recently opposed the pilot project, arguing that the top properties whose bills would increase from the switch—mostly car dealerships and malls—are already developed to their full potential.

The city council has asked for more time and may consider starting the pilot in a portion of the city's downtown area.

## High Speed land boost

Plans for a high-speed rail link to the North from London, High Speed 2, are set to not only minimise travel times but also boost the property market.

According to *The Times*, research by Savills shows that a one-minute reduction to a commuter rail journey adds £1,000 to the average value of a home.

Since plans of High Speed 1, which links the Capital with the Channel Tunnel, were announced (see [L&L 1224](#)) the property market in the South East has picked up. Sarah McGlinchey, of estate agents Bairstow Eves in Ashford, Kent, tells *The Times*, "Interest from buyers across Kent, as well as those in London, has been increasing steadily. Although the market is a bit unpredictable right now, once things settle down I think that prices will start to creep up—and probably eventually look more like somewhere like Sevenoaks."

High Speed 2 is expected to serve the Midlands and the North West. Building work on the new line is expected to start in 2017, with the first trains running in 2026.