

THE WORKING OF THE ACT WHICH MAKES LAND DEAR AND STOPS DEVELOPMENT

An enterprising man sees an opportunity to develop a hotel business in a part of Scotland likely to attract visitors, and when he had finished the necessary conversion job he finds that it has made him liable to a steep "development charge." He finds, further, that it cannot be paid in instalments without considerably increasing the amount through the interest payment involved, and that until the development charge is paid he is not allowed to do any hotel business—under a penalty which could be even steeper than the development charge itself and would, of course, leave that impost as a debt still to be met. Scotland is keenly interested in the development of a flourishing tourist industry. The Government in theory approves and encourages this move, because a brisk tourist trade can attract dollars, and Treasury hopes of this source are fairly high. Yet already one set of "planners" is damaging the Scottish hotel industry by applying to it a London-made Catering Wages Act which simply doesn't make sense in the working conditions of most Scottish hotels. And now we see how another brand of "planning" can put serious obstacles in the way of the establishment of new hotels in Scotland. The short cut in these circumstances is to adapt existing buildings that lend themselves—through size, isolation, unsuitability for other purposes—to hotel conversion. Clearly all but the wealthiest type of group enterprise, looking to the rewards of the luxury type of hotel, may be frightened off conversion jobs by the development charge which can be levied under the Town and Country Planning Act.—*Bulletin and Scots Pictorial*, April 5.

Mr. J. Steel Maitland, president of the Glasgow Institute of Architects, at its annual meeting (*Glasgow Herald*, March 24) said the Town and Country Planning Act affected quite seriously those even remotely connected with property; and yet the public, and those who in their own interests should have been alive to its vast potentialities, had not given it scrutiny or even concern. The full significance of the Act was not realised, but when private building began again the large capital sums demanded as development charges, added to the very enhanced cost of building, would be likely to choke out of existence all future building other than that considered absolutely necessary.

The high prices of agricultural land appear to give the lie to the Government's claim to have stopped speculation in land by its land clauses in the Town and Country Planning Act. What they do show is that those people who have fully developed land have been placed in a very fortunate position, through the obstacles placed in the way of those who are being charged a high development tax when they wish to use land in a more productive way than at present. Even ramshackle buildings (of all kinds) are fetching a good price if they can be repaired well enough to remain outside the "development" category. This method of robbing Peter to pay Paul is not the way to achieve the end that the Government professedly had in view. The only way to do this is to deal with land as a whole and make a national valuation so that there is a uniform standard on which valuers can work and gradually levy taxation on this value instead of on improvements.—*Mrs. Beth Harris, in the Wolverhampton "Express and Star,"* April 1.

The heavy liability for development charges payable under the Town and Country Planning Act is one of the principal reasons for Stansted Parish Council's withdrawal from negotiations for the purchase of a site for the proposed Stansted Community Centre, according to Mr. Ernest L. Burton, of Spencer House, Stansted, from whom the Council had hoped to acquire the land.

Mr. Burton, in a course of a letter to the Clerk of the Council, wrote: "I am informed that (a) the District Valuer takes the view that the price asked for the land (£475) is too high, despite the fact that it was purchased in 1917 currency for £450; (b) the

Development Charge payable by virtue of the Socialist Town and Country Planning Act, 1947, is not one which the Council are prepared to face. It is possible—I would say probable—that when the next General Election comes, the people will have had more than enough of Socialism in our time. The country will expect the restrictive provisions and iniquitous Development Charge, and the Town and Country Planning Act to be repealed."—*Herts. and Essex Observer*, February 11.

Many instances of the operation of the Development Charge (together with the arbitrary and incoherent action of District Valuers in their fumbling with the Act) were cited by the *Daily Telegraph* reporter (March 21). He said: An industrialist gave these examples of charges which have been demanded:—

£11,500 on improvement costing £22,000. When a protest was made to the district valuer, he changed his mind and said he would charge nothing.

£600 on conversion of a piece of land into a sports field for factory workers.

£600 on erection of a house costing £1,200 for a works manager. When the firm protested, the valuer reduced the charge to £20.

In many cases extremely high charges are being made. Most are reduced when the developer protests. District valuers, as yet, do not know what they are doing. They are feeling their way.

At Bury St. Edmunds, Suffolk, Ice-Mark, Ltd., bought premises for £4,000 to convert them into a quick-freeze plant for foodstuffs. A development charge of £2,700 was demanded. The firm is resisting the charge, which was criticised at a town council meeting.

The council, anxious about the effect of development charges on its policy of attracting industrial enterprise, passed a resolution expressing concern "as the industrial development of the town under such circumstances will be prejudiced."

A National Federation of Property Owners spokesman said: "Industrial development is being held up all over the country by this Act. Until people know their financial commitments they will not buy or build. This charge is having a stifling effect. In many cases land was bought years ago for future expansion. Now high charges make development uneconomic. The planners have announced their intention of encouraging development where they want it. But that may not be where the developer wants it. If a man cannot develop where there are facilities, transport, materials, labour and markets, he will not develop at all."

For the first time in the memory of most of us there is a boom in the price of agricultural land. In the between-war years of depression, much land changed hands at around 14 years purchase on annual value.

To-day peak prices are shooting up towards as much as £300 an acre. Where a good house and out-buildings are available on a comparatively small acreage, demand is exceptionally keen.

Here are some recent prices. A Cheshire farm of under 39 acres brought more than £270 an acre and one, slightly smaller in Staffordshire, nearly £180 while more than £200 per acre was paid for 48 acres in Somerset, and for each of 55 acres in Cumberland, approximately £173.

With 20 acres of orchard, the cost of 170 acres on the Hereford-Gloucester border was £23,800, and of a Staffordshire farm of 91 acres, £12,100. So the boom is country-wide.—J. Robertson Coupar, in the *Northern Daily Mail*, March 28.

It was stated at a Parish Meeting in West Sussex that if a piece of agricultural land was acquired as a burial ground, the question of a development charge would arise under the Silkin Town and Country Planning Act.—*Newark Herald*, March 26.

WRECK OF THE PLANNING ACT, with numerous examples of Development Charges, has been printed from our previous issue in leaflet form. Another reprint is **TOWN PLANNING FULFILMENT OR FRUSTRATION**. Send for these leaflets, **WRECK and FRUSTRATION**, and help to use them. **COPIES (ANY NUMBER) FREE if effective distribution is guaranteed.**