



Questions and Answers on Site-Value Rating

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Q.—Would not SVR result in only small gardens? Is it really desirable to crowd houses together? Will it, in fact, not mean that councils will have to provide a great deal more parks and open spaces, to be kept up at public expense? If this means changing private gardens for public gardens, is there any reason to suppose that this is what the public wants?

A.—Site-value rating would not produce crowded development and small gardens. When site-value rating forced all idle land on to the market there would be *more* land available for gardens, not less. It is the high cost of land today that is responsible for small gardens on new estates. When land was cheapened, as it would be by site-value rating, more people could afford larger gardens.

Q.—SVR spokesmen often complain that a man is "charged" under the present rating system for adding a bathroom to his house. Is this a fair complaint when he receives a grant of 50 per cent. of the cost? Indeed, under SVR, should the grant be discontinued?

A.—If a local authority gives a grant for improvements, it is nonsense virtually to take it back again in higher rates. Under site-value rating this could not happen, since, whatever the improvement—and many improvements do not rank for grants—the site value is of course unchanged.

Site-value rating might well make such grants unnecessary, but this involves a separate political decision.

Q.—A householder may own a bungalow on a site that could have taken two semi-detached or even two detached houses; but redevelopment to optimum use is impossible without pulling down the existing building. Would such a householder suffer a heavy financial loss on the introduction of SVR? If so, should this be remedied?

A.—It is by no means certain that this house owner would suffer a financial loss on the introduction of site-value rating. Despite his large garden, his rates could be lower under SVR, as was found in the Whitstable Report.

Of course, if a planning committee decided that an area now developed at five houses to the acre should have been developed at ten houses to the acre, the house owners would suffer to some extent; their rates would be higher than those of owners with similar-sized gardens in areas planned for development at five houses to the acre.

There is, however, no reason to suppose that planning committees would use their powers unreasonably, to the detriment of house owners.

Q.—One of the main objections to the present rating system is that it ignores ability to pay. SVR is subject to the same criticism. Will this not cause hardship to poor

people occupying valuable sites?

A.—If one finds difficulty in meeting one's commitments almost any item in the household budget—television, washing machine, car, rent, etc.—could be selected as the item that one has not the ability to pay for. It should be no part of the rating system as such to balance inequality of incomes or to provide assistance. This can best be done by other methods. Existing rate relief legislation would probably still apply.

Q.—There are instances when part of a garden would make a suitable building site, but a narrow strip of land, providing access to a road, is owned by someone else. Under SVR the owner of the strip of land would seem to be very much favoured, while the owner of the garden would virtually be forced to give it away. Is this correct?

A.—No. In a case like this, each owner has a bit of land of no real value in itself. While the site as a whole should be rated, the rate should not necessarily be divided proportionately to the size of the two parts.

While this sort of case is rare, there are a number of ways of dealing with it fairly. For example, each owner could be asked to set a price at which he would be prepared to sell, and be rated accordingly if the other owner refused to buy.

Q.—In general, should site-value rating be restricted to land at present undeveloped, or scheduled for redevelopment, so that it is introduced gradually over a long period of years to cover the whole country?

A.—No. It is most important that site-value rating be introduced on all land. Any exemptions will create anomalies, distort the pattern of proper land use and produce different selling prices for land of the same rental value.

Encouraging development by making it unprofitable to hold land unused or under-developed is only an effect of site-value rating. The principle is that those who enjoy land value brought about and maintained by the provision of local services should pay accordingly. Those who improve and maintain their property should not be penalised.

Q.—SVR is designed to encourage the rebuilding of town and city centres. What, if any, provision should be made for buildings of historic or architectural interest on the present official schedules?

A.—No special provisions need be made under site-value rating; the present schedules would still apply. Where it is decided that no rebuilding should take place the value of the site will be confined to its existing use and the site-value rate will be low.