



# Land Allocations Under Fire

PETER RHODES

**T**HE SOUTH EASTERN Economic Planning Region contains 35.5 per cent of the country's population—just over seventeen million people. The region's population is increasing rapidly and people are living longer and marrying earlier so it is not surprising to find this reflected in higher land prices and consequently higher house prices.

The average price of a new house in the South East in the last quarter of 1967 was £5,482, of which 28 per cent was attributable to site prices. Taking 1962 as the base year, building costs have risen 20 per cent overall while house prices have risen by 30 per cent to 40 per cent.

But while land prices are very high in the south, land accounts for only sixteen per cent of housing costs in the North. Such a difference in land costs requires additional explanation other than that afforded by population pressure. Now the facts are coming to light.

Under our present planning procedures the land earmarked for urban expansion is relatively fixed in supply by the zoning allocations. In 1966 studies carried out by the Ministry of Housing and Local Government showed that there was "some tightness in the situation." The Ministry now admits that although allocations vary from county to county the situation is acute. As a result it wants allocations to be swiftly reviewed. It is suggested that extra housing land might be made available near manufacturing towns with a high demand for labour or where there is spare capacity, near road and rail services to London. The question remains: Why has the problem not been seen before?

It is incredible to think that with all the public money which is being spent on town planning no one has seen this picture of distorted land availability long ago. It can only be assumed that planning authorities have been susceptible to pressures advocating the controlled release of relatively small parcels of land to keep prices high. It could be argued at one time that no one county has had a full picture of what has been happening throughout the region. The Standing Conference on London and South East Planning, however, has existed for a number of years but this informed association of planning authorities ap-

pears to have had little impact on overall land allocations. In the circumstances it is not surprising that the South East Regional Economic Planning Council has taken its own initiative. The council, however, is government sponsored and it seems that planning authorities might be losing the grip on their own destiny by acting slowly.

Led by Dr. Wilfred Burns, Chief Planner of the Ministry, a new team will be examining the south east strategy. Meanwhile the Ministry is suggesting that the Land Commission will be the responsible agency for acquiring all necessary land for private housing. Why is all this necessary and where will it lead?

In the first place the blame must be put on the planning authorities for not acting. Even if they had acted, however, there is little doubt that much allocated land would have been held for speculation, since in this country we do not tax vacant land. As a result the cumbersome Land Commission has been set up with its six chargeable acts and its powers of compulsory acquisition. Taxpayers throughout the country have to bear the burden of heavy land acquisition costs. While the administrative machinery grinds on and the haggling continues, prospective purchasers jostle competitively for what land is available while building societies and insurance companies are never quite sure whether they will have enough money to lend. Meanwhile the landowners fall into two camps: those who sportingly concede the 40 per cent levy (but take advantage of the enhanced prices occasioned by the Act itself), and those who are sitting tight on their holdings hoping that Sir Henry Wells and his gallant commissioners will ride on past when they take to the fields!

This picture provides little solace for the proponents of land-value taxation who have been ignored for many years in spite of the excellence of their case. How long will the politicians remain blind to a readily available measure that has the twin effects of making land cheaper to buy but expensive to hold?

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J. C. STEWART

**W**E HAVE just received news of the sudden death of J. C. Stewart, of Ballymoney, Northern Ireland. To his wife we extend our deepest sympathy.