

Mayor backs LVT Research

WITH JUST over a year in office completed, the first democratically elected Mayor of London, Ken Livingstone, has finally debated with the Greater London Assembly on the merits of LVT. In a question time that was unfortunately reduced at times to an exercise in either heckling or mocking LVT, it did reveal that the Mayor remains open to research into LVT – if the price is right.

Darren Johnson, the Mayor's cabinet advisor on environmental issues and Green Party Assembly Member, tried to fulfil his party's general election pledge of implementing a local land value tax nationwide by tabling the question, Does the Mayor support the idea that the increase in land values, that always follows when London creates new transport interchanges, i.e. Docklands Light Railway and Jubilee Line Extension, should be captured and returned to the people of London?

The Mayor's reply confirmed that he not only supports the idea in principle but also has put it into practise. He seeks, as new development schemes come before him as planning applications, to try and recover significant transport contributions from developers where these are justifiable. He cited recent examples as Canary Wharf and the new emerging Millennium Quarter in the Isle of Dogs. He revealed that as a result of working in partnership with the borough of Tower Hamlets, Transport for London and developers, a major contribution of £14 million is being negotiated to go directly into public transport, new Dockland Light Railway stations and community benefits.

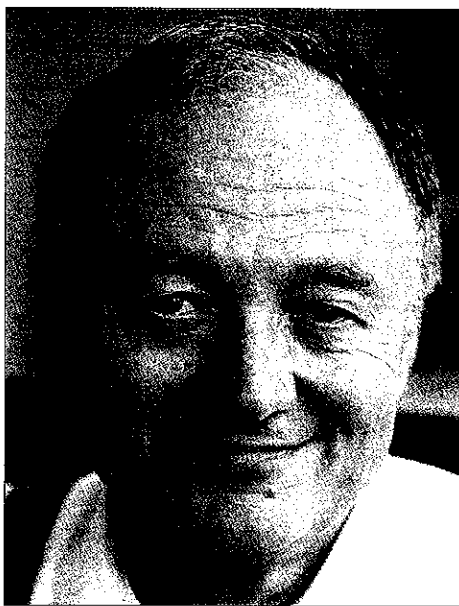
Johnson's reply neatly shifted the debate on to how the revenue from land values could be collected on a more permanent basis. He pointed out that the Mayor's reply was perhaps alright for "one offs" but as this means of raising revenue was now supported by the Friends of the Earth and the Liberal Democrats shouldn't he be looking to engage in debate around this issue and fund research into its viability?

Again the Mayor signalled to Assembly Members that it would probably be of "some use" but these decisions were in the hands of the government and he was not going to waste money on projects unless it could effectively be done cheaply. The exchange that followed was of amusement to some assembly members, most notably Lord Graham Tople.

It was agreed that the Mayor would be interested in supplying £5,000 worth

of funding for research if the Green Party could find somebody to do it. Johnson saw this a development in the context of keeping the debate going and recognising that it would be of benefit not only to London but further a field. I can exclusively reveal that after the debate the Green Party approached the Progressive Forum to prepare a proposal. The Mayor has been sent a submission that would support the Lincoln Institute funded Jubilee Line Extension project, already underway.

It is at this point the Mayor seemed to "open up" a bit more on the subject, but not enthusiastically. The seeds of this lethargy were sown earlier by the Chair, Sally Hamwee, who mistakenly referred to the Green Party's question as one on "site value rating" then suggested that it was not the most exciting of topics. This was accompanied with heckles of "Communists" from one of the elected



■ Ken Livingstone

members. The Mayor responded by placing his hands on his head, then into his lap and finally releasing a sorrowful groan.

For the Mayor, this issue has "bedevilled" London politics for the whole of his political career. He referred back to the 1960's when this issue was poisoned by the administration of Sir Christopher Plummer, who promised benefits to the community but they never materialised. Apparently it was now up to councils through planning agreements to squeeze out as much as possible. The debate seem to be going down a blind alley.

ENTER LOUISE BLOOM of the Liberal Democrats whose first task was to make Johnson aware

that actually "It has been Liberal and Liberal Democrat policy for about 100 years to have some system for land value taxation". This invited the inevitable reply from the Mayor that "the knowledge that this has been Liberal policy for 100 years is depressing, because it makes one ask why Campbell-Bannerman, Asquith and Lloyd George did not implement it when they had the chance. You have had no more control over your Governments than Labour activists have over theirs". [Laughter.]

Bloom persisted, arguing the case for broadening the debate, presumably because of the concern she had for the "people in our party who are totally obsessed with the subject". This broadening process included credit unions and for the Mayor to consider following Eastleigh Borough Council's example and link taxes raised to distribution on a local level, and the social policies of firms. The Mayor and Ms Bloom were keen to pursue this link and vowed to do so.

The Mayor's final encounter was with Conservative Assembly Member Angie Bray. She quite rightly observed that the Liberal Democrats had not really mentioned this policy during the general election campaign very much. This was around what she called this "tricky time". However it was pointed out to her by Ms Bloom that it was actually in their manifesto.

Ms Bray had understood that LVT would be another tax. Unfortunately this was the only impression she could have formed as no one sought to point out this was about shifting and lifting burdens and not increasing them. This naturally prompted her to be concerned that the research into a new tax on home owners was about to be commissioned. This was quickly dismissed by the Mayor, stating that he thought any tax of that sort would be a "monstrous one".

However, the Mayor finished as he had started, suggesting that "it is a question of looking at the large sites with major commercial development; then you have to achieve a balance, and see how much you can squeeze out of them before it becomes uneconomic for them. There is a fair point to strike here which keeps the firms interested but gets some community benefit."

☐ For the full transcript of the debate on land values send a SAE to Progressive Forum, Suite 427, The Fruit and Wool Exchange, Brushfield Street, London E1 6EL.

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