

development

From Mr Christopher Booker and Mr Bennie Gray

Sir, We would like to report what seems to us an extraordinary and absurd situation. In recent months, on a number of occasions, we have discussed in the press and on television the plight of local authorities who are seeking to rescue back for their communities a reasonable share in the enormous property values created by the grant of special planning permissions. We have also on two occasions attempted to provide councils with a formula whereby they could benefit from the profits of two major office developments which they alone had the power to make possible.

As a result of these activities, we have in the past few weeks been deluged by inquiries from the councillors and officers of local authorities in all parts of Britain. In each case, they are desperate for advice or practical help. One city council wants to know whether there is any way in which it can develop a key central site which it owns itself, without having to lease it in such a way that a developer takes most of the profits. Another big city is faced with a scheme, requiring extensive site assembly by compulsory purchase, whereby almost the whole of the city centre is transferred to a well-known property company—for almost no financial return.

The officers and leaders of a large London borough are anxious to have general discussions as to ways in which they can benefit from future development throughout the borough.

What all these local authorities have come to recognize with alarm is that, under the present system, they are being asked to play a vital role in making possible schemes which will pour money into the hands of property companies, for virtually no return. In some instances, they even own the land themselves. In others, they are being asked to buy key parts of commercial sites by privileged use of compulsory purchase powers.

Yet in any attempt to win back a fair share of the profits thus created, their hands at present are tied at every turn. The Secretary of State for the Environment tells them that their only concern should be with "planning"—as if planning can be divorced from economics. He tells them that profitable development is not their business, but should be left to the private sector. By implication, he says that it is all right for compulsory purchase powers to be used to enrich large property companies, but not for the financial benefit of the community.

Here then is the extraordinary situation—that, as two journalists, we should be approached by some of the largest and most powerful local authorities in the land because they are desperate to find a practical way round what has become a major national scandal.

Obviously we are happy to offer what help and advice we can, but the measure of response we have received in recent months shows that this is no longer a matter for ad hoc improvisation. There are a number of ways in which the situation could be practically remedied. But ultimately none of them can be effective without a clear lead and support from central government. We write to you, Sir, in the hope that this matter may be taken up at national level as a matter of the greatest urgency.

Yours faithfully,
CHRISTOPHER BOOKER,
BENNIE GRAY,
5 Barrett Street, W1.

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The Times

THE TIMES

Profits from development

From Councillor Ivor Walker
Sir, Messrs Booker and Gray (December 12) do not delineate the real problem of local authorities. For hundreds of years the ownership and development of land has been in the hands of the private landowner. Developers and speculators and local authorities have deliberately been excluded from doing anything other than providing housing and other service facilities. Any attempt to change this situation has resulted in corruption and that in any event facilities were not equipped for development.

It is the "equipment" that have that local authority? Camden is a fairly open market, indeed millions every year in one way as property values and are not being outside special developers. We too joining that being apparent. So what the Government (ervative) has "profitable" ere may well cation in the

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