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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, developer and speculator and local authorities have deliberately been precluded from doing anything other than providing housing and other social service facilities. Any attempt to have this situation changed has met with the charge that corruption would result and that in any event local authorities were not equipped with the facilities to carry out commercial development.

But what is the "equipment" that developers have that local authorities have not? Camden is a fairly rich borough—we too can borrow money on the open market, indeed we do borrow millions every year in exactly the same way as property developers. We too have a staff of surveyors and valuers and are not averse to employing outside specialists as do the developers. We too buy land often adjoining that being bought for redevelopment. So what is the difference? The Government (Labour and Conservative) has always said that if it is "profitable" we can't buy it! There may well have been some justification in the past but none today.

Why can't we buy not just housing land but potential commercial land also and why can't we prepare a planning brief which provides for housing, shops, health centres, offices, warehousing, etc, so that the commercial side pays for the "non-profitable" services.

I think it is forgotten that the calibre of councillors has changed at the same time the skills of council officers have sharpened.

Messrs Booker and Gray have correctly highlighted the problems but I do not feel that their solution eg, "Claudius-Tolme's square type" deals are the solution.

I do not want to have to go to merchant banks to produce a viable scheme—there are other ways of raising money. I do not want to hold property developers to ransom while they consider how small a slice of the cake the community is to be allowed to claw back. I want local authorities to decide what development should take place and I want them to buy the land and then that they should develop it.

There is no magic wand in the developer's "do it yourself" kit. All he has is the power to carry out commercial development. It is now time for the same power to be given to the community as a whole.

Yours faithfully,
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