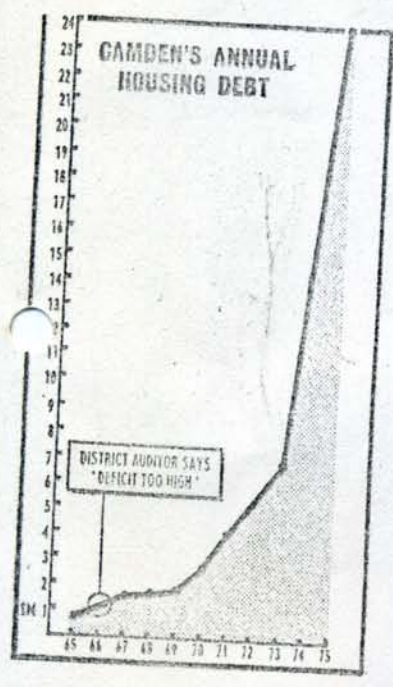


THE WORST OF THE BIG SPENDERS

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THIS YEAR, spending by Britain's local authorities will rise by 51 per cent—to something like one pound in six of our national income. Two questions demand an answer: What constraints are there, if any, to ensure that town hall spending does not simply go through the roof? Are the town halls spending our money effectively and wisely? Perhaps the only practical way to begin to answer these questions is to examine in detail just one area of spending by one local authority. We have chosen the housing policy of the London borough of Camden—the fastest-spending housing authority in Britain.

The escalating costs of Camden's housing programme (left), and an example of the type of housing they are providing (right), the Alexandra Road flats.



ELEVEN days ago a major row broke in the Council Chamber of the London Borough of Camden over an attempt by the council to suppress a highly embarrassing fact—that the council is proposing to spend nearly £2 million on converting a terrace of nine Georgian houses in Bloomsbury into council flats.

Even by Camden's own standards, the Great Ormond Street scheme sets a new record for high spending. By the time the scheme is completed, each two-bedroomed flat is likely to cost £73,000—which will mean a subsidy to each council tenant of more than £150 a week.

But the Bloomsbury extravaganza is merely the latest of a long line of rows which in recent months have rocked the highest-spending housing authority in Britain.

Camden is heading for another fiasco involving £7.5 million of public money on the huge YMCA redevelopment on Tottenham Court Road—a scheme which will produce hundreds of bedsitters to let at an astronomical £25 a week.

In the summer it was revealed that Camden was planning a block of 21 flats on Fitzjohns Avenue, Hampstead, at a cost of £70,000

it may involve the council in losses running into millions of pounds.

These examples are merely an indication of the most extraordinary record of housing spending by any local authority in Britain.

This year, on capital account Camden will spend £218 for every man, woman and child in the borough—more than five times the national average. On revenue account Camden will spend £158—more than four times the national average (and of this, 93 per cent will be paid by taxpayers outside the borough).

On both counts, Camden will be spending much more than any other local authority in the country.

Camden stretches from Covent Garden in the heart of London, some five miles northwards through the Victorian terraces of Camden and Kentish Town, to the leafy heights of Hampstead.

Camden has been renowned for its crusading attitude towards the provision of low-rent public housing ever

be nearly 24 times as large—a staggering £23.9 million—a figure which leaves the rest of the country standing.

How does one local authority justify spending such a disproportionate and rapidly rising share of the total sum of money available for the nation's housing subsidies?

Camden's answer is that it has one of the worst housing problems in the country.

But, according to Shelter, in London alone there are many boroughs ahead of Camden on all the accepted indicators of housing stress—overcrowding, lack of amenities, families in bed and breakfast accommodation.

Moreover, Camden's housing pressures must have been relieved considerably since 1961 by the fact that the population has fallen by more than a fifth—from 246,000 to 192,000.

Clearly, in terms of relative housing need, it is difficult to justify the sheer volume of Camden's spending. Can it be justified in terms of effectiveness?

Camden spends its housing money in three main areas:—

1. On managing, maintaining and repairing the existing stock of council dwellings.
2. On buying up and improv-

highest in the country, equivalent to nearly a third of this year's anticipated rent roll. Nearly 10,000 of the 26,000-cdd tenants are in 'serious arrears.' Privately councillors admit that they have no answer.

MUNICIPALISATION

In the past three years Camden has taken into public ownership one in 16 of all the homes in the borough—at a total cost of more than £30 million. Last year Camden accounted for nearly 10 per cent of the entire national municipalisation programme.

As a result of accusations that Camden was paying too much for properties (e.g.,

£ CAMDEN LEADS... in rent arrears per dwelling — national average £6, Camden £65.

£470,000 for a house in Hampstead which local estate agents thought was worth half that) and buying too many already well-occupied, the Government twice this year brought in drastic curbs. Camden was also taking too