

Attempt to block Camden deal

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The repercussions of the decision by the Labour-controlled London borough of Camden to go ahead with Mr Joe Levy's Stock Conversion and Investment Trust in the redevelopment of Tolmers Square have only just begun to be felt.

Today Mr Nicholas Tomalin, journalist and local ratepayer, intends to serve a writ on the town hall in an attempt to get the proposed deal declared illegal.

Tolmers Square is a depressingly run-down area just to the north of Euston Road, part of which Camden once tried to buy compulsorily for housing. In August 1970, the present Government rejected this on grounds of cost.

Recently the council was about to embark upon an alternative under which it would assemble land with the powers of compulsory purchase on behalf of Stock Conversion. The company would then sell Camden housing land below the market rate and allow a share in the commercial rental after certain rate of return was reached.

At this point two journalists, Mr Bennie Gray and Mr Christopher Booker, offered through their company, Claudius Properties, to carry out the same scheme with the help of the council and expert consultants but hand over the capital gain, by their reckoning £7 millions or more, on the sale of the commercial section, to an institutional investor.

Camden after taking counsel's opinion, decided, in its Community Planning and Resources Committee meeting this week, to reject this alternative. The QC consulted emphasised that it would be inadvisable to try out such an innovation in a case where the chances of success were minimised. The particular reasons lay in the fact that a major and respected developer was a principal landowner and negotiations were already far advanced.

Mr Tomalin's proposed writ quotes the 1933 and 1972 Local Government Acts. He hopes to stop the agreement on the grounds that it would produce a loss.