

# High Court challenge to council's land deal

By David Leigh

Camden council, in London, is likely to have to defend in the High Court its refusal to accept a non-profitmaking plan for office and house development near Euston Station. The plan was designed to deprive private developers of up to £20m profit but is described by the council's Labour leader as "too much of a gamble".

Three months ago two property journalists, Mr Christopher Booker and Mr Bennie Gray, put up a scheme which they contended would avoid the necessity for a council agreement with Stock Conversion, one of Britain's largest property developers, which is controlled by Mr Joe Levy.

On Wednesday the council's community planning and resources committee voted seven to two to go ahead with Mr Levy who has offered 8.5 acres of the Tolper's Square site relatively cheaply to the council for housing. In return, he gets help in finally assembling the site and planning permission for a large office block.

Mr Booker and Mr Gray are disappointed. They do not question the motives of Camden council, which has a desperate housing problem, but they accuse it of timidity and falling prey to "mystification" by interested parties.

Another journalist who is a Camden ratepayer, Mr Nicholas Tomalin, is serving a writ today on the council, arguing that the agreement with Mr Levy is unlawful because ratepayers will suffer unnecessary loss.

He says the rejection is a "massive and ridiculous mistake". Mr Booker and Mr Gray say they have much support in Camden where many people are opposed to the deal.

The council is in an unenviable position. It wanted to buy the land for homes nearly 10 years ago, but compulsory purchase orders were vetoed then by the Minister of Housing because the market rate, £300,000 an acre, was thought too dear.

The council fears that, at worst, Whitehall might disapprove, delay or even reject a new scheme. The deal with Stock Conversion would have collapsed by then and Mr Levy might have been in a position to go ahead with his office block in any case.

The council sees the criticisms of those who dislike London developers' high profits, and the possibility of Camden recovering these profits for more housing, as less important than getting some houses built in the predictable future for families on the 11,000 waiting list.