

Land Policy

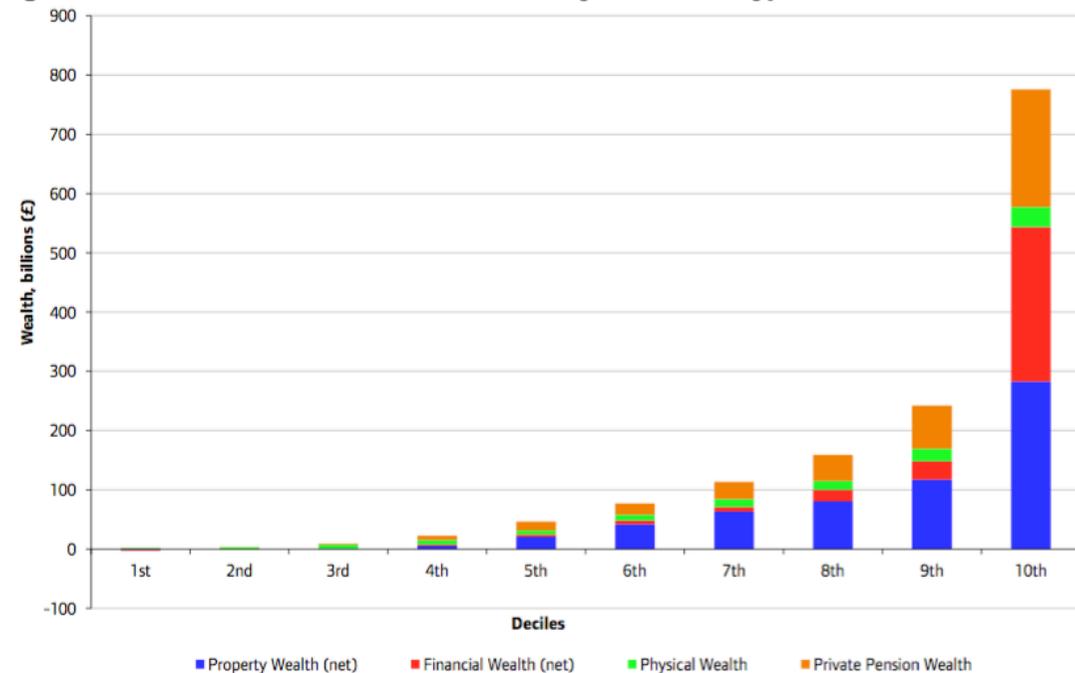
- One of 4 new chapters for the Community-led plan for London
- Product of earlier conferences, working groups & events with Land Justice Campaign



Problems:

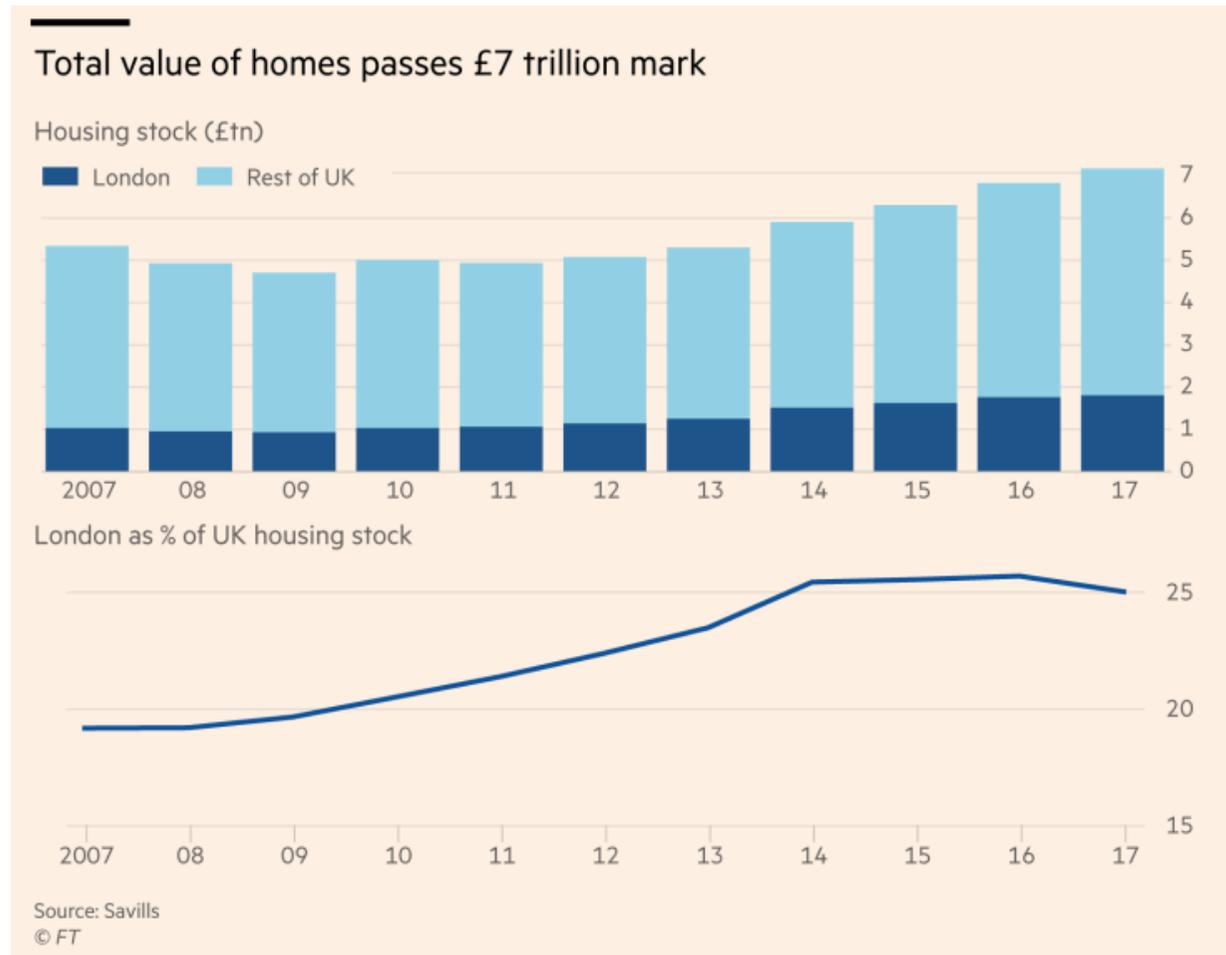
- City cursed by rent & land
- Expression and generator of inequality
- Land market pressures drive plans, displace low- and middle-income homes, workplaces
- Housing payments impoverish people & prevent other spending
- Existing taxes regressive, fail to capture property wealth/income or to supply services & infrastructure

Figure 10.25: Distribution of wealth in London by deciles and type of wealth, 2010-12



Source: ONS Wealth and assets survey, 2010-2012

Yesterday's FT: scale of house "value"



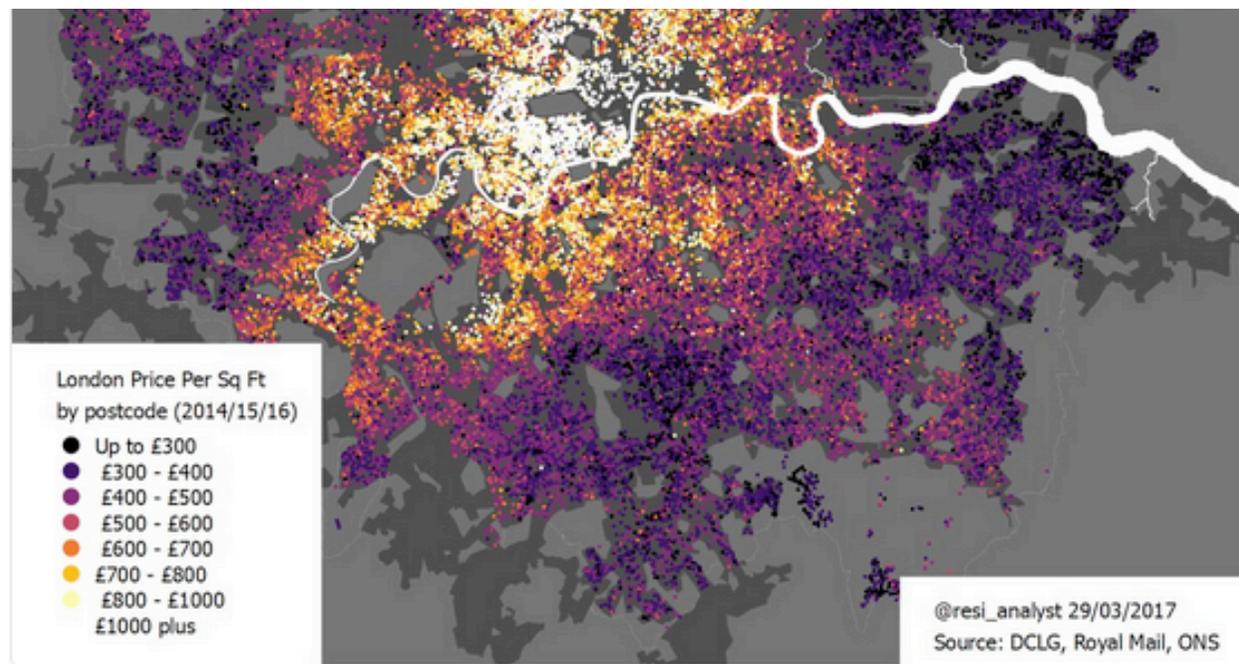
Yesterday's FT: growth of house "value"



Less than 20% of growth is more housing; most is price increase

London needs a system which...

- Extends the public / collective ownership of land
- Taxes captures income and wealth from land fairly
- Develops participatory budgets
- Diverts investment to productive uses
- Redistributes between regions, boroughs, wards

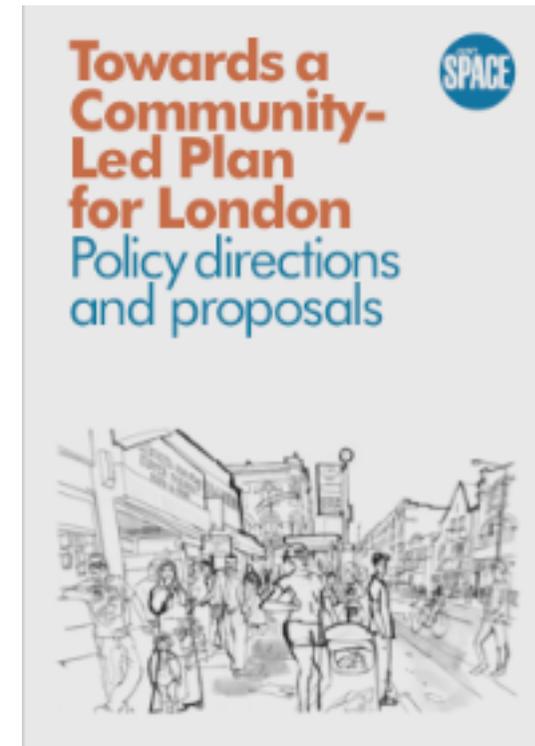


Taxation: LVT?

- Captures value growth from the whole of the stock, not just new development
- Everyone benefits from the underlying value of land and all uplifts, rather than just the owners of land
- By taxing land that is currently kept idle, LVT encourages better use of land
- Discourages under-use of land
 - But...
- LVT encourages intensification of use and thus threatens a variety of lower density and non-profit uses.
- Is an approach which makes the market work better, more 'efficiently', and not an approach whose first principle is to take more land use decisions **out** of the market, priorities being set through political debate and participatory planning.
- To be feasible, would need to specify precisely the permitted use and maximum density for every plot of land

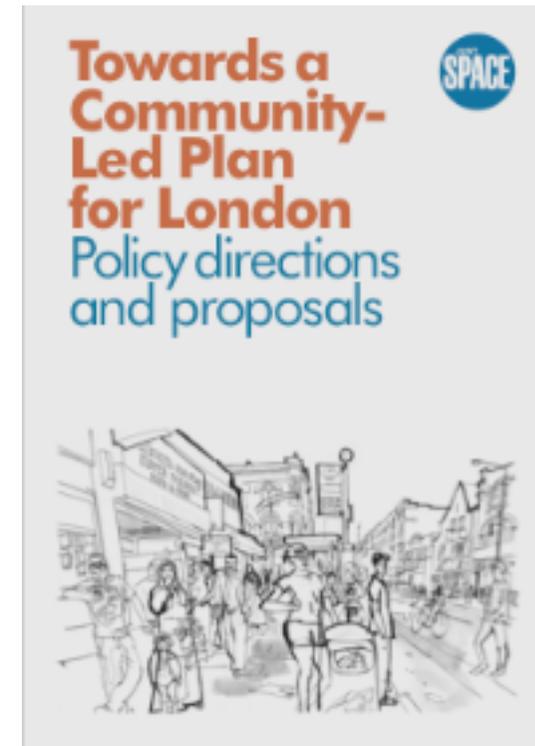
How?

- Legislation needed, but...
- London should lead on
 - Research & education
 - National/international discussions
- Mayor lobbying governments...
 - Viability
 - Disposal of public land (NHS etc)
 - Existing Use Value in CPOs
 - Local government finance review



First steps

- Mayor should lower land price expectations by
 - Enforcing upper density limits without flexibility
 - Enforcing his 35% “affordability” threshold without flexibility
 - Specifying the date at which 35% “affordability” will become 50%
 - Making his definitions of “affordable” housing much more affordable, relating them to local incomes, not local market rents
 - Applying his requirement of no net loss of social housing equally across all renewal schemes over which he has any planning or financial leverage
- Require that TfL and other Mayoral-family lands that are disposed of for housing development are used substantially for social housing or other social purposes



The full draft chapter is at [JustSpace.org.uk](https://www.justspace.org.uk)

- The land is where we all live, build, grow food, do things together in a great diversity of organised and spontaneous ways.
- The private ownership of land rights has evolved over a long period. It enables owners to secure —as rents and as capital gains— a huge and growing share of the social product, concentrating wealth and lowering the standard of living for many people in the society.
- London as a huge and dominant city creates especially strong profit opportunities alongside unique impoverishment. As land value has mushroomed, there is lots of money being made; more of it could go on what we need and less be distributed as profits and capital gains.

