

CONFIDENTIAL FILING

Vacant Public Property

GOVERNMENT
BUILDINGS

April 1987

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MR. BOOTH

VACANT PUBLIC PROPERTY

You will wish to see the underlining on the attached minute, and if you have not already done so, to copy it to Messrs. Ridley and Patten.

P. A. Bearpark

13 April 1987

PRIME MINISTER

10 April 1987

VACANT PUBLIC PROPERTY: A NEW APPROACH

Introduction

A number of our policies to assist speedier and more efficient land use are being impeded by inadequate information. We discuss this below. In turn this contributes to the wrong solutions. We believe that it is time for a new radical approach to releasing public sector unused land. This we are developing.

The overwhelming policy reason for this initiative is threefold

- (i) maximisation of use of our land supply is essential for economic growth;
- (ii) sensible use of land is critical for the quality of life;
- (iii) in particular in South East Britain there has been huge depopulation of the London Metropolis (2½ million down since 1939, Table B) and proportionate pressure on the most scarce land green belt land around the Metropolis.

The first step is to assess what is vacant public property? We also believe that it is time to challenge the Department of the Environment's assessment of what is unused land in the public sector. In this note the following definitions will be used.

Derelict land' is taken as land so damaged by industrial and other development that it is incapable of beneficial

Have Nick Ridley
John Patten
a copy of this minute?
I should like
them to
have one
not

B

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use without treatment. (DoE definition for purposes of derelict land Grant).

'Unused land' we take to mean that excepting de minimis use no use is taking place on the land.

'Vacant land or property' we take to mean either 'derelict' or 'unused land'

1. What is the true extent of public sector vacant land?

The Department of the Environment say that true 'derelict public sector land' amounts to about ~~than~~ 46,000 acres. They poo poo the suggestion that there is a vast area of urban land which could be made available for use for houses or businesses. We challenge this assertion. In the last year DoE officials have added a note of caution. They now say unused land is unmeasurable.

But their latest assertion is that the Adam Smith Institute's estimate of 1987 is on the highside. The Institute itself is in our view very low in its overall assessment of 200,000 acres of vacant urban land because it includes both private and public sector.

Why DoE is likely to be significantly wide of the mark

(a) Land Register land. Even on the Department's own admission there are 98,000 acres of unused land on the 1981 Act register. You have often remarked how frustrating it is that this register has remained almost constant for the last four to five years. We set out the figures below in table A.

(b) Where does the land entering the Register come from? The Department of the Environment points out that 48,000 acres have been taken off the register and

into use since 1981. Officials say that the explanation for the failure of the register landholding to diminish substantially is explained by the increased flow of unused land onto the register. So much land has come onto the register in the last few years that we believe that the only true explanation is that the land was wrongly omitted from the register in the first place. We enlarge on this at (d) below.

- (c) Land or property not on the register under one acre. The register excludes property that is under one acre. Various estimates have been attempted. Anthony Steen MP, who directs a group of MPs who are concerned about this topic, estimates that 60,000 acres are excluded from the register because of this exception. Professor Alice Colman supports this assessment. There is certainly one objective test which we adopt to support this and that is the number of vacant council dwellings. Nationally it is in excess of half a million and taking 12 dwellings to the acre (the average density for New Towns) it broadly supports the Steen/Colman suggestion excluding entirely vacant land.
- (d) Land hoarded and stored by public sector for future uses that are highly questionable. Professor Colman estimates this to be about 100,000 acres. This assessment is very difficult because it means challenging the veracity of public authorities who have stated that they have a bona fide use for a particular use of land, or it means challenging a de minimis current use of land. However, we have done a number of checks and have come up with some interesting witnesses to the current practice.

Mr Touchard, the Property Services Director for Westminster Council, for instance states "my experience is that a number of Government Departments, such as the

Post Office, use land atrociously. For example the Post Office site on Horseferry Road which everyone can see is derelict was alleged by the Post Office to be a car parking space and therefore not vacant".

Another example was a large bomb site in Westminster owned by the Government (PSA) that has only been brought into use last year. For years it was reported as a storage facility because there was a cellar with a serviceable door in which junk was stored.

Gas Board sites taken out of service years ago are only now being brought into use post privatisation.

Water Board managers now that flotation is in sight admit they are looking at their property portfolio with new eyes!

In Lambeth and Hackney there is significant evidence of land and property hoarding which is left idle and which does not appear on the Register.

(e) Land recklessly wasted by public bodies. Alice Colman was recently asked to survey a council estate in Greenwich. Here she found 400 spaces for new dwellings in the campus styles estate. Moreover this typical attempt to put council housing in acres of grass contributed to crime. It was not only a reckless and wasteful use of land it was positively harmful to the inhabitants.

(f) Further evidence of inadequate registration of unused land. Some comprehensive land use analysis was done in the 60s in Sheffield and in the late 70s in Tower Hamlets. This was before the register of unused land was created, however the difference between the land coming forward for registration and the land that

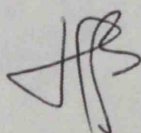
would be expected to be on the register from these two analyses may well be explained by the failure of Government Departments to give proper details of their vacant or unused, or partially used, land.

3. Should private sector land be included on a register of unused land. Although there may well be considerable areas of private sector land which is unused, we believe that rather than government intervention, increased land values which would follow from the better use of unused derelict or other public sector land would add an extra incentive to the grants we already provide to bringing private sector land into use. We are fundamentally opposed to the state taking powers to further direct private sector land owners to use their land in any particular way.

4. Conclusion

We conclude

- a. unused public sector land is about 250,000-300,000 acres. This in broad terms sufficient land at conservative house density levels to build 3 million houses or 20 years supply. However probably upwards of one third ~~are~~ is probably in rural areas.
- b. a radical scheme that would provide better incentives to public bodies to sell their surplus land is urgently needed. (We will submit a proposal after Easter).



HARTLEY BOOTH

TABLE A

REGISTER OF UNUSED LAND

A Unused land on DoE Register February 1987

N Region	11,701
Yorkshire	15,368
E Midlands	11,549
Eastern	7,510
South Eastern	10,102
South Western	8,007
W Midlands	8,988
North Western	17,402
Greater London	4,686
Merseyside	<u>4,098</u>
	<u>99,425</u> acres

Land in South East (10,102 + 4,686) 14,788

B Area of land on Register by date

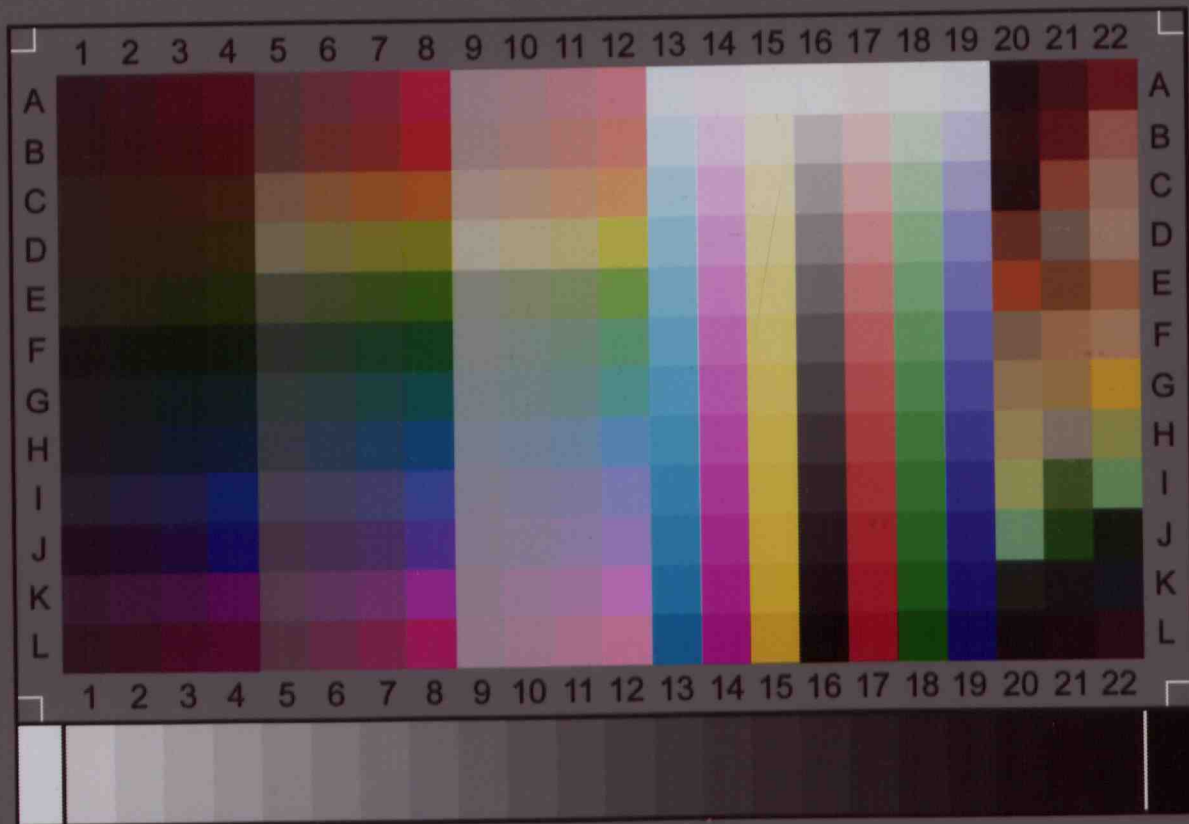
January 1983	108,000 acres
January 1984	112,200 acres
January 1985	110,100 acres
January 1986	110,200 acres
April 1986	107,000 acres
January 1987	99,000 acres
End March 1987	98,400 acres

Table B

Population of Greater London (from the Census Office)

		Decline from 1939
1939	8,615,000	
1951	8,196,000	419,000
1961	7,992,000	623,000
1971	7,529,400	1,085,600
1981	6,850,600	1,764,400
1985	6,767,500	1,847,500
(mid year)		

GOVT BUILDINGS : Vacant public
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