



LABOUR LAND CAMPAIGN PRESS RELEASE – 7 AUGUST 2020

Reform of the planning system could benefit everyone - not just Robert Jenrick's property-owning friends

The announcement made by Robert Jenrick, Tory Secretary of State for Housing, Communities and Local Government, of the relaxation of planning restrictions is yet another gift to those who make huge fortunes out of simply owning land. Of course, he is a multi-million pound property-owning MP who, for some unknown reason, set up a company in 2013 (now dissolved) to spend over £800,000 on changes to his then-new London home: changes which planning professionals had rejected three times but which were granted permission by Tory Councillors.

Robert Jenrick also helped billionaire developer Richard Desmond when he granted planning permission for a £1bn property scheme two weeks before the developer donated £12,000 to the Conservative party and when, as Jenrick already knew, Desmond had only 24 hours to have the development approved before new council community charges were imposed that would have cost him about £45m.

If the objective is to see more homes for people then he could examine why so many homes bought for speculative purposes lie empty and why so many sites which already have planning permission for residential use have remained undeveloped for years. Jenrick's proposals mean that local people and elected councillors will have less input on controversial developments, a gift to developers. The new levy proposed to replace Section 106 and the Community Infrastructure Levy is intended to capture more of the uplift in land value of a development. But all such levies only capture land value at the point of change of use whilst with a new development much of the increase occurs long after the developer has left the site. The simplest and most effective way to capture land value is an annual land value tax.

Heather Wetzel, Chair of the Labour Land Campaign (LLC) argues "What is needed is a local community-led planning system and an annual charge levied on the value of land to replace current unfair and inefficient property taxes. Our taxation system encourages land speculation and keeps residential and commercial buildings empty or underused at the expense of taxpayers who pay for local infrastructure and to the detriment of the public services which generate land (location) value in the first place. We need an incentive for the building of genuinely affordable, decent-sized, environmentally sound homes where people need to live for work - not an excuse for developers to convert obsolete office blocks into shoe-box housing units. The numerous idle development sites all over the UK which already have planning permission for new homes illustrate how land speculation and hoarding continue to be ignored by Robert Jenrick whose most recent proposals fall far short of the

kind of positive and progressive reform that would drive the provision of affordable homes - both social and private-sector - for ordinary people.”

The LLC campaigns for the efficient and sparing use of land with a land value-based tax to replace bad and distortive taxes and pay for good quality public services.

Heather Wetzel continued “Land value is created by all of us as taxpayers, consumers and real investors in the production and distribution of worthwhile goods and services, not through the sedentary act of owning land. Because we all generate land wealth (which accounts for over 50% of UK net worth), we should use that wealth to benefit all of society through a fundamental tax shift in what is taxed – off earned incomes and onto the unearned income taken by owners of land and other natural resources.”

Sound planning policies can protect green spaces and our countryside from unnecessary development and environmental damage so we and our children can get maximum social and economic benefit from the most precious resource we have, our land

An annual Land Value Tax on all land will bring idle development sites into full use and see homes used to live in rather than as speculative “investment” vehicles; unused and underused buildings will be brought into full use to provide homes and business premises to meet the wants and needs of the local community. ENDS

***The Labour Land Campaign is a voluntary organisation working for land reform.
It advocates a fairer distribution of land wealth through a Land Value Tax.***

For more information see www.labourland.org

URL for posting on Twitter:

<http://www.labourland.org/press-releases-and-archive>

Contact details

Press Officer: Anthony Molloy

Email: anthony1molloy@gmail.com

Telephone: +44 (0)7704 116 238