

2/3/88.
MR. HAMILTON

You will remember that I agreed to get details from the DOE of the points on land in the South East which had been raised at the drinks with MPs. You may find this copy letter useful for background information.

PA

P. A. Bearpark

1 March 1988



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Private Secretary to
The Prime Minister
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My ref:
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Prime Minister²

25 February 1988

Dear Andy,

Handwritten notes:
This arose out of your meeting with Mr. H. Alford
Dunlop
pub
topline
PMS/29/2

Thank you for your letter of 10 February about the availability of land in the South East and the landholdings of parastatals (which we take to mean most types of Government agencies and Nationalised Industries but not local authorities).

It is certainly true that Green Belts, Areas of Outstanding Natural Beauty and other specially protected areas limit the amount of land available for housebuilding, but there is little evidence that they are unduly restricting the supply of new housing in the South East as a whole. This is borne out by the high housebuilding rates of recent years. Last year saw the highest level of private sector housing completions in England since 1973. The South East Region has maintained at least its share of this increased output, and indeed its share of the national total has been higher in the 1980s than in the 1970s.

While the price of housing land has risen sharply in recent years, particularly in the South East, land prices are primarily a consequence (not a cause) of high house prices. The price that builders pay for housing land reflects the prices at which they think they can sell houses; that price is determined principally by the price of second hand houses which form the very great majority of sales.

At the end of January, the land Registers of publicly owned unused and underused land contained details of 3,400 acres in London and the South East Region owned by nationalised industries, publicly-owned statutory undertakers, the Post Office, development corporations, the Commission for New Towns, the Housing Corporation, and the London Residuary Body. Since 1981, when the first land registers were introduced, 5,600 acres of land owned by these bodies have been removed from the registers for this part of England, mostly because the land has been sold or brought into use. The Land Register remains active, with new sites being added and others removed as they are sold or brought into use.

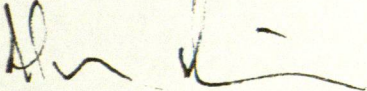
The 1980 Act Land Registers relate only to publicly-owned land. It is often suggested that there ought to be a National Land Register identifying all private land holdings. A private Peers bill

introduced by Lord Templeman would enable any person to inspect entries on the register of land maintained in HM Land Registry. This would greatly assist the identification of the ownership of land, insofar as land has been entered on that register on change of ownership. The Government has expressed support for the Bill.

We have no information about any Government landholdings at Tilbury Docks, which are owned by the Port of London Authority.

My Secretary of State has also asked me to mention that he has been considering the opportunities that exist in East London for new housing development on some large derelict sites that are now becoming available for redevelopment. There is potential here for at least 20-30,000 houses. In some cases developers are already showing interest in these sites and market forces may bring about their development without any intervention by Government. In others the costs of reclamation and infrastructure may deter developers or mean that the full potential of this land is not realised unless the Government takes a hand in making it available. He will be discussing this with Sir Christopher Benson, the Chairman of LDDC, possibly but not necessarily with a view to extending the LDDC's remit, but also to hear his views on the extent to which private developers may be willing and able to undertake development in these areas without the need for public expenditure. It seems clear that there is land available here that could make a major contribution to meeting housing demand in London.

Yours



A D RING
Private Secretary

