

A 21st Century Metropolitan Green Belt

The Greenbelt: the price we pay

Paul Cheshire: LSE & SERC

3rd December 2015



MYTH 1: *Concreting over England*

REALITY: Greenbelts cover 1.5 as much land as all urban areas; all urban less than 10%;

MYTH 2: *Greenbelt land environmentally valuable*

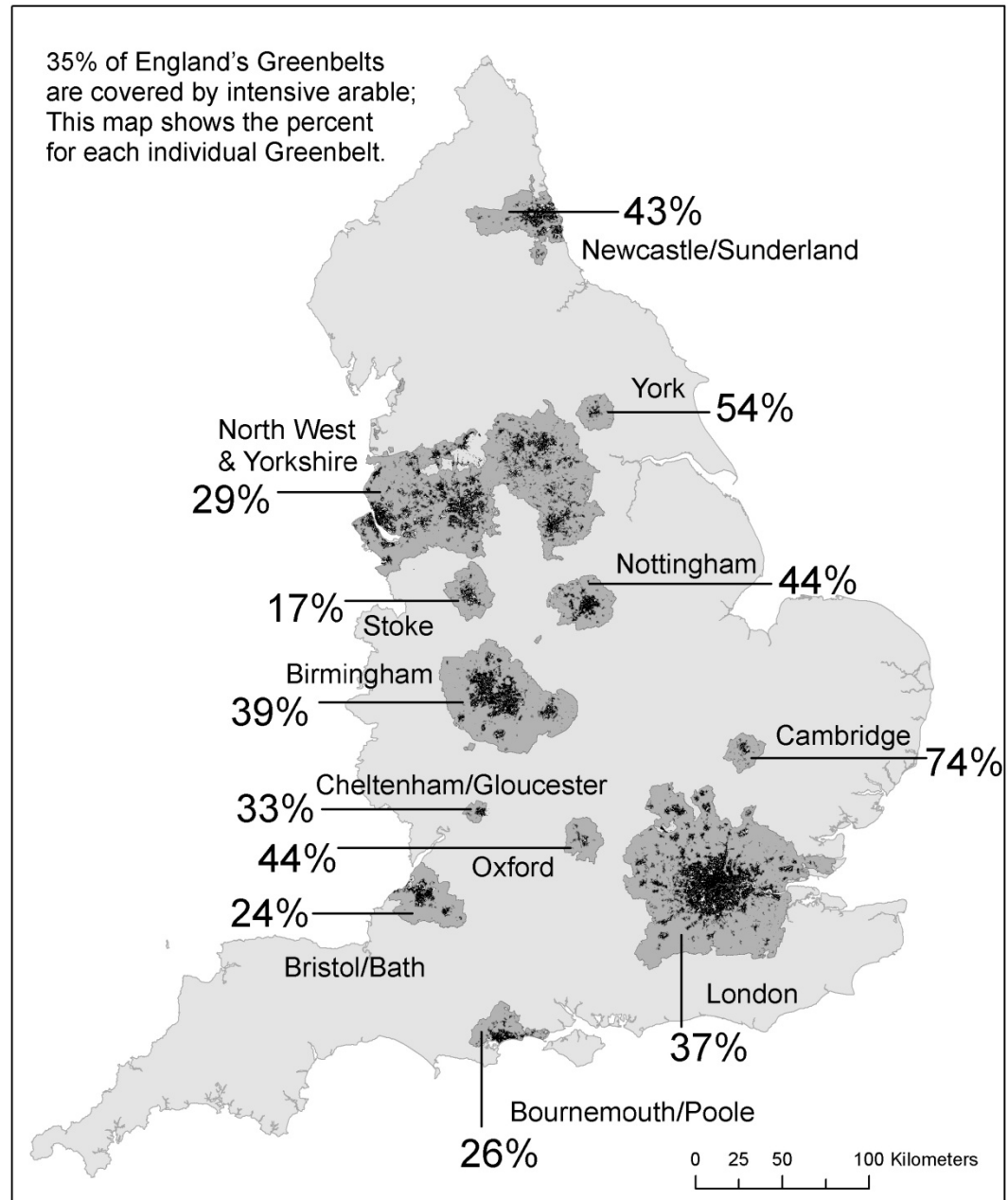
REALITY: biggest use - intensive arable e.g. Cambridge 74%

MYTH 3: *intensive farmland is 'green'*

REALITY: No access & **NET** environmental cost per ha - compare parks & gardens!

[Nat. Ecosystem Evaluation, 2011]

Intensive Arable Land in English Greenbelts: percent

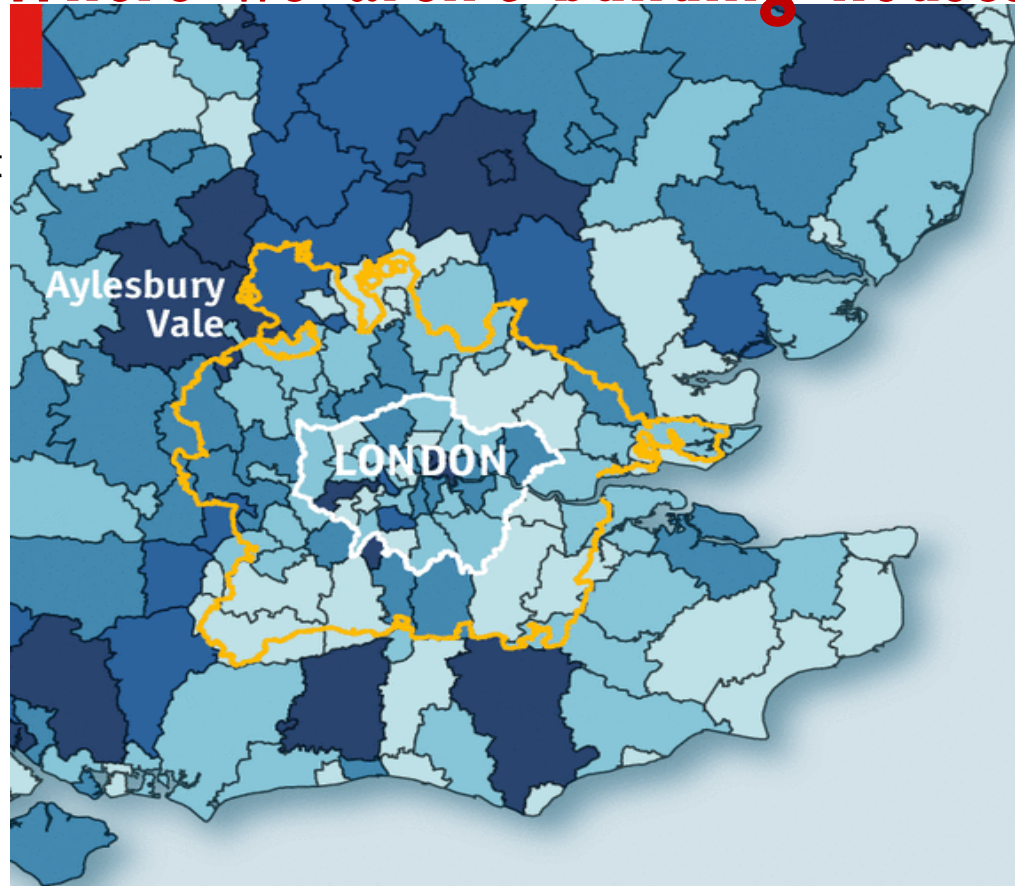


This map was prepared by Sevrin Waights. Calculations are based on Land Cover Map 2000. Intensive arable land was defined as use categories 4.1, 4.2 and 4.3 and so is a conservative estimate of 'intensively farmed agricultural land'.

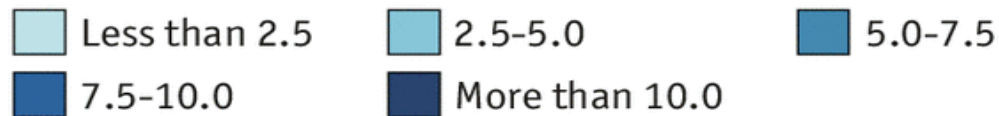
How identify London's Greenbelt?

Where we aren't building houses!

Source: The Economist
Jan 10 2014



New builds per 1,000 housing stock, 2012-13

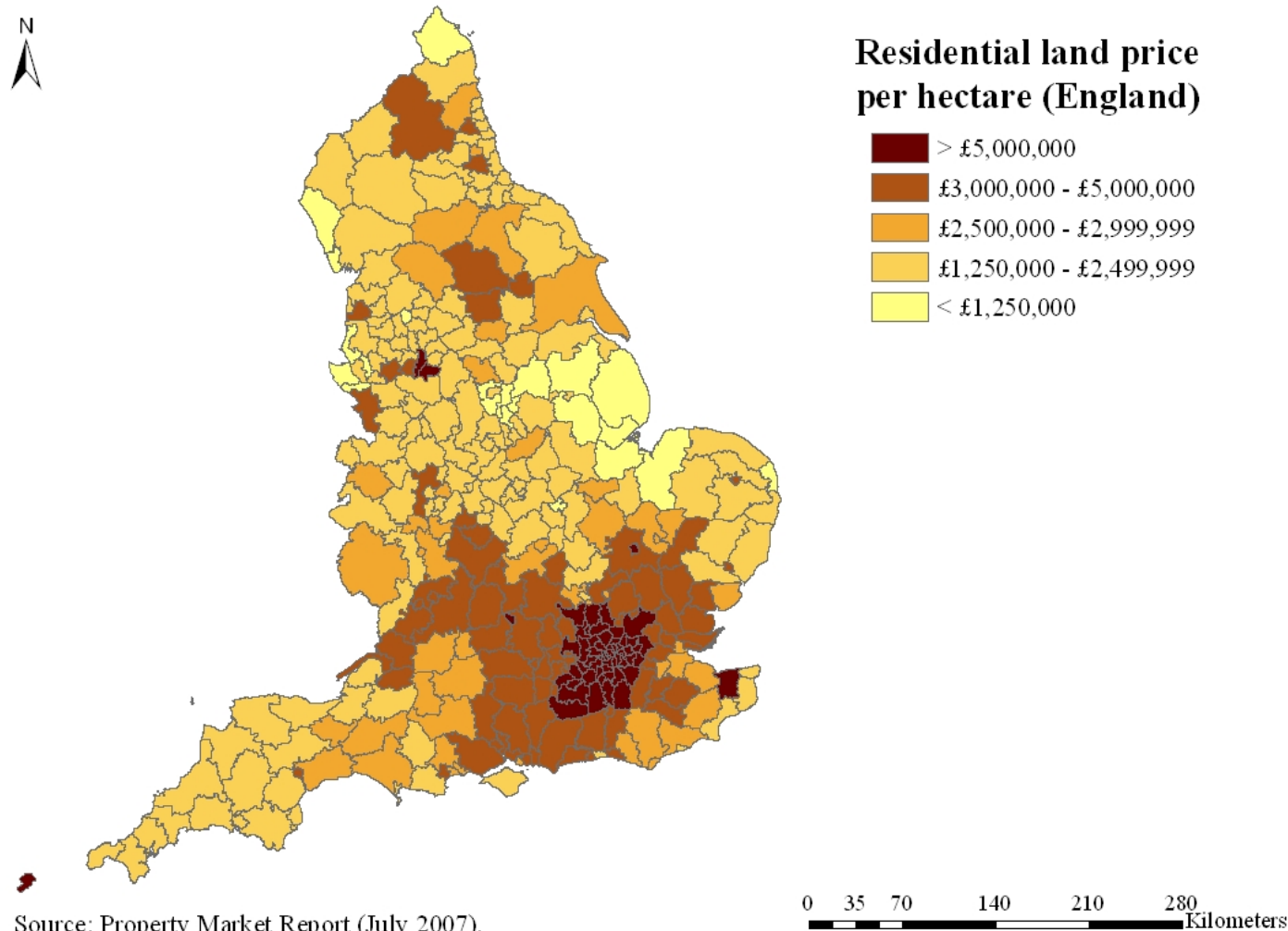


Outer limit of London green belt

Sources: DCLG; Based on OS mapping M008/13

What happens to price if you restrict the supply?

- Increases the price of land and housing; and increases market volatility. Can identify Green Belt by land price....



So to Green Belts

- The function of Greenbelts is to *stop urban expansion*:
‘even if...neither green nor particularly attractive scenically, the major function of the Greenbelt was...to stop further urban development’ Duncan Sandys, Minister for Housing
- Urban containment rations space – therefore it affects:
 - The price of land by use: the 600-fold price jump
 - Competition from non-urban uses
 - Availability and quality of housing – so welfare – across people and between age groups
 - Structure of asset values and so equity
 - Efficiency and competitiveness of our cities
- Very substantial price distortions
- Let me illustrate: a visit to Ufa in 1969...

The now well known golf course issue

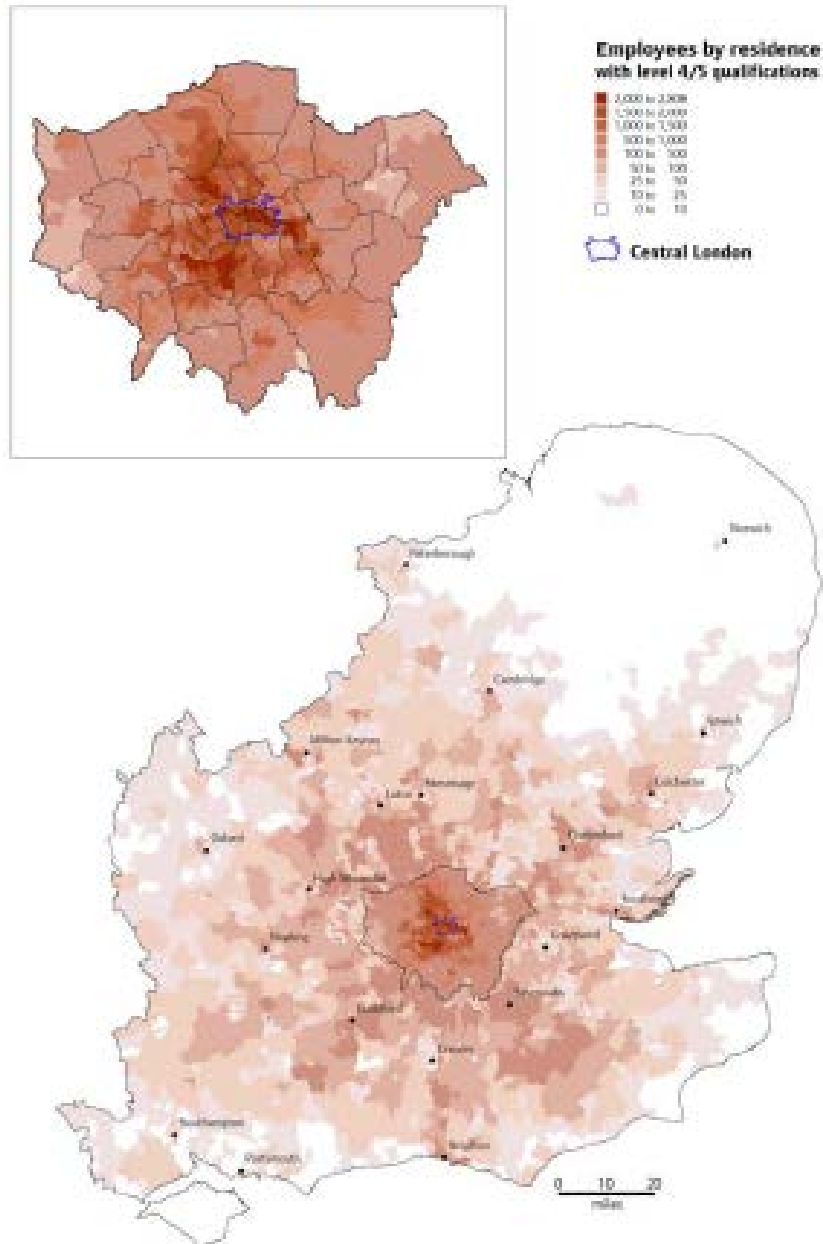
- Visiting job candidate from New York who brought his golf clubs to London
- Why? No competition for land from housing + subsidy because bunkers & obstacles represent land fill opportunities at £80 per ton
- Result – more of Surrey covered by golf courses than houses
- Area of golf courses **inside** GLA Green Belt – twice that of Borough of Kensington & Chelsea!
- Nothing against golf - but grotesque undersupply of housing and over supply of golf course in London area
- OR.....

**Desirable Residence: £30 000:
35 minutes West End; 1.5 acres; Needs
complete renovation: No humans need apply**



Thanks to
Barney Stringer
& QUOD who
found this image
on Google

Figure 41: Number of ward residents with Level 4/5 qualifications working in Central London



And policy *plans* to ‘contain’
but people *choose* to behave
in unintended ways

Highly skilled re-locate
beyond the Greenbelt
and commute from all over
Southern England:

Oxford, Cambridge act as
high income ‘dormitories’.

London’s carbon footprint likely
increased compared to Paris.

⇒research!!!

Similar issue likely with planned
creation of jobs+residential new
settlements

Coordination? CrossRail: £18bn & NO HOUSES HERE



OR HERE: Because Slough must never touch Southall





© 2015 Infoterra Ltd & Bluesky
© 2015 Google
© 2015 Europa Technologies

© 2010 Google

Imagery Date: 9/10/2006

51°40'43.49" N 0°06'38.32" E elev 48 m

Eye alt 1.04 km

So what IS the point of Green Belts?

- **Greenbelts serve no worthwhile economic or social purpose but VERY severely restrict supply of land:**
- in effect exclusionary zoning - benefiting the housing haves already there
- Cover vast tracts of land with no environmental or amenity value: i.e. where no issue of market failure since food prices are already valid price signals in welfare terms (most of the price of farmland reflects tax avoidance value!)
- **Very small proportion enough to solve our housing crisis**

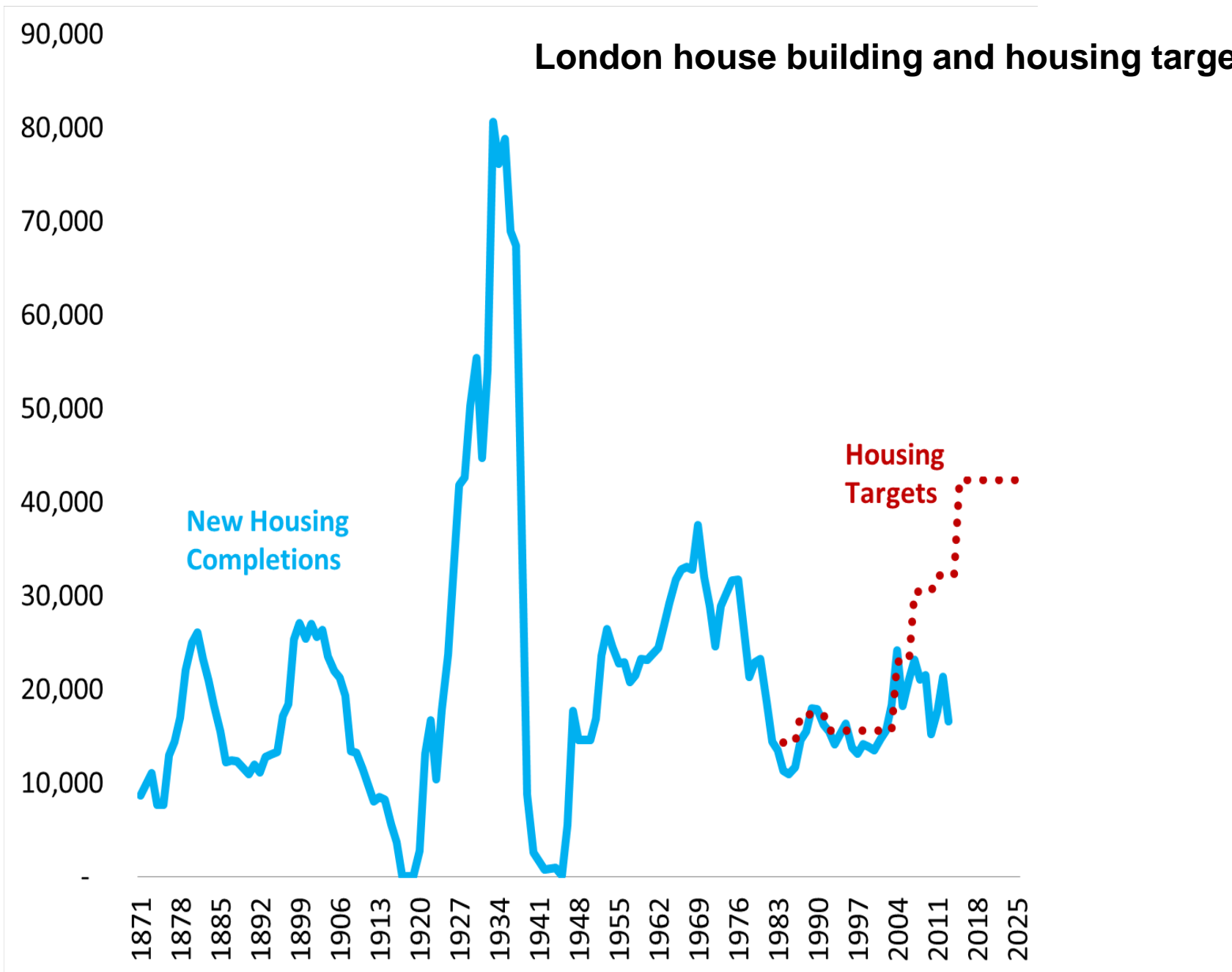


Figure 1: Real Land & House Price Indices (1975 = 100)

