

Housing and Land

Conference notes the disquiet felt by many Liberal Democrats at aspects of the coalition's economic measures, in particular the reduction in public services generally and the increase in tax, especially VAT, which has not been switched to richer taxpayers as effectively as we would have wished.

Conference notes that proposals to cut Social Housing Grants and cap Housing Benefit are highly likely to result in an almost complete halt to building of new affordable housing, unless balanced by incentives to release land.

Conference further notes that many commentators here are now urging the government to follow the lead of Governments elsewhere, e.g. Australia & Ireland, and introduce land value taxation (LVT) as part of their economic recovery package. This would recognise that land values represent a large source of unearned wealth and so LVT would be a 'fair' tax; and that one effect of the tax is to encourage economic activity, especially the redevelopment of vacant, derelict and under-used urban land and buildings, much of which is still exempt any business rates.

This conference therefore urges Liberal Democrats in government to make a strong case for the introduction of a significant measure of LVT on non-residential urban land (which is already Party policy) at the earliest opportunity, in particular to stimulate the construction of more affordable housing.

Notes:

1. The Party's tax policy paper