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Opinion: TfL's deal demonstrates how to make the best of public land

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Transport for London's partnership with private landlord Grainger is a model that could be followed outside the capital, writes Dean Clifford.

Public land and how we use it is a thorny issue. With the best will in the world there will always be those with different ideas of how we should bring it forward and for what benefit. There will always have to be choices between cash receipts or social good, immediate results or long-term aspirations, public services or public spaces.

Transport for London's (TfL) recent deal with private landlord Grainger shows how plans can change – four years ago the transport operator was readying a number of its sites for sale - but also how a successful middle ground is possible. And the deal should be a real winner for all concerned.

Grainger gets access to a portfolio of sites near transport connections that will form a ready-made substantial rental portfolio in one of the hardest to access rental markets in the world. TfL gets a steady annual income stream to contribute to its funding shortfall, without losing its land or assets. Meanwhile the London mayor and the

Greater London Authority (GLA) are able to provide more affordable homes than if the sites were sold for sale, and most likely they will get the homes delivered far faster too.

Looking beyond the deal

There are a few key things we can learn from this. Importantly, this kind of deal does not need to be a one off. All major cities across the UK – and several quasi-public institutions - have the land and resources to set up something similar.

The sites don't all need to be in city centres, as there's huge demand for high quality single-family suburban rental housing too. Nor do they all need to be targeted at the same market. For instance, cities with a lower saturation point for build to rent (BTR) could mix portfolios up with more affordable housing. Thousands of homes could be unlocked and use institutional funding to get them built far more quickly than if solely for the private sale market.

There is a balance, however, as clearly BTR does not work everywhere and on every site. Some sites, where financial returns are higher or there is more risk, could be sold to realise much needed additional funding. Others, which are needed for important infrastructure projects, perhaps not sold at all.

The difficulty for authorities - cash poor and pushed or pulled by national government and communities respectively – is making the right, considered, decision for each site.

Public land and how to use it will always present a difficult decision, but with each deal we learn a little more and add another solution to the puzzle. With the rapidly changing needs of society, public and private sectors must work together to make sure we keep looking for the answers.

Dean Clifford is director at developer Great Marlborough Estates.