



**PRESS RELEASE**

**19 May 2004**

## **HOUSEBUILDERS CONDEMN SHORTAGE OF LAND IN ABERDEENSHIRE**

The housebuilding industry has condemned the shortage of land available for housing in Aberdeenshire.

Speaking at a meeting on Aberdeenshire Council's Local Housing Strategy today, Allan Lundmark, Director of Planning at Homes for Scotland, the representative body for the residential development industry, hit out at the current land shortage which he says is responsible for driving up house prices and is now leading to people queuing for days in the area to secure homes they can afford.

Calling on Aberdeenshire Council to accelerate the release of sites for housing and urging the Scottish Executive to provide local housing associations with higher levels of grant aid to enable them to work in partnership with the private sector, Mr Lundmark referred to scenes witnessed recently at Bancon Homes' development at Hill of Banchory and said:

"It is unacceptable that people should have to queue like refugees for a home in Aberdeenshire but it all comes down to a matter of simple economics. Where a shortage occurs in the market, one of two things happen – the market either responds by increasing supply or prices rise. It is our view that house price inflation can only be tackled by increasing the supply of housing. To do this effectively, we need a land supply which is capable of meeting demand in full and delivering the new homes people need."

The housebuilding industry contributes more than £3.5 billion to the Scottish economy. Mr Lundmark confirmed the readiness of Homes for Scotland's member companies to invest in Aberdeenshire's future prosperity but warned that failure to address the issue of land release would result in this being jeopardised.

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About Homes for Scotland:

Homes for Scotland is the representative membership body for the home building and residential development industry in Scotland. Its member companies build over 90% of all new homes built for sale in Scotland and the industry is the largest single user of the planning system in Scotland. It also employs more than 110,000 people and added contributes more than £3.5 billion to the Scottish economy.

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