



**PRESS RELEASE**

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## **GOVERNMENT URGED TO REMOVE OBSTACLES TO HOME OWNERSHIP IN 2007**

Homes for Scotland has called on key decision makers to remove the obstacles which are preventing people from owning their own homes and enable the home building industry to provide the number of new homes that Scotland needs.

Homes for Scotland's Executive Director Bruce Black said: "While we welcome the decision taken by Parliament in November 2006 to reform the country's planning system, this legislation must be accompanied by a culture shift within local government. More resources need to be invested in planning departments to fund a far more strategic housing supply policy if the industry is to be able to meet demand. One of the first challenges for our new Communities Minister, following the resignation of Malcolm Chisholm, will be to oversee this process.

"Scotland has one of the lowest annual build rates in Europe with only 25,000 new homes being built annually. This is in stark contrast to other countries which are planning for growth, such as the Republic of Ireland where some 75,000 new homes are built every year to serve a smaller population.

"We are unable to build what we know the market needs and wants. Rather we build what and where the planning and political systems allow us. As an industry we want to be a key partner in shaping a smart, successful Scotland. However there needs to be a willingness to share agendas, understanding and trust.

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“Hand in glove with the new Planning Bill, Scotland desperately needs a strategic housing supply policy that embraces all sectors and all tenures.

Although there is ministerial drive for affordable housing, this is only one part of the equation. A planning regime that frees up land and encourages private development is one of the surest ways to achieve affordable housing objectives at the least cost to the public purse.

“We see little evidence of any real vision in strategic planning in Scotland. We want to encourage a greater emphasis on strategic, design-led master plans which would enable local authorities to locate schools and other public amenities where the community needs them. The treasury is consulting on a new planning gain supplement, in effect a development tax that, in theory, would raise funds for essential infrastructure. We should all be concerned about the increasing reliance on developers to provide major infrastructure such as schools, roads, drainage and sewage. Housing markets can be fickle and a more strategic approach is necessary. In fact the application of such a tax is certain to erode the ability of home builders to meet the demands of planning gain contributions to local communities.

“We look forward to working with Scotland’s new Communities Minister, the local authorities and our local communities in 2007 to ensure sufficient new homes come through the system to build the dynamic and sustainable communities of the future.”

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*improving living in scotland*



Homes for Scotland speaks for over 160 companies who together provide 95% of all homes built for sale in Scotland each year. The home building industry contributes more than five billion pounds to the economy every year. Labour intensive and geographically wide-spread, the industry directly employs 50,000 people with a further 60,000 jobs dependent on it.

**Ends.**

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