

Immediate Release

16th July 2007

**PLANS FOR MORE HOMES MUST HAVE INFRASTRUCTURE
AND COMMUNITY SUPPORT**
***LOCAL PEOPLE SHOULD BE GIVEN GREATER SAY WHERE
NEW HOMES ARE BUILT***

Nicholas Soames, Member of Parliament for Mid Sussex, responded this week to plans by the Government to increase the amount of homes that councils will be forced to build.

He lent his support for measures to build more homes on genuine brownfield land, but said that necessary infrastructure (like schools, hospitals, roads, public transport, water supplies) were essential, and environmental protection like the Green Belt must be maintained.

He was also critical of hikes to stamp duty under Labour and cuts to the rights of social tenants to buy their home. Across the South East, the average first time buyer pays £1901 more stamp duty under Labour, whilst the average home buyer pays £6940 more.

Nicholas Soames explained; “Clearly we need more homes in the South East – while protecting the environment and providing the infrastructure to support local communities. Local people know best where new homes should go, rather than Whitehall or regional bureaucrats.

“The Prime Minister’s top-down approach of forcing high density blocks of flats, closing local hospitals and recklessly building on flood plains threatens to create unsustainable communities that will become the sink estates of tomorrow.

“Yet Mr Brown’s tax hikes, especially punitive stamp duty and escalating council tax, have helped kick a whole generation off the housing ladder. He has presided over falling home ownership and curtailed the right of social tenants to own their home.”

Notes to Editors

GORDON BROWN'S RECORD ON HOUSING

Home ownership falling

Fewer people are now getting onto the housing ladder. Home ownership is now falling, for the first time since records began, despite ongoing rises in home ownership in the 1980s and 1990s. Total owner occupation fell from 14,646,000 in 2005 to 14,621,000 in 2006. This masks an even greater fall in home owners who have a mortgage (i.e. who do not own outright) which has fallen from 8,527,000 in 2000 to 8,230,000 in 2006 (DCLG, *Live Tables, S101: Trends in Tenure*, as of March 2007).

Social tenants losing the Right to Buy

Labour have made a series of cuts to Right to Buy discounts and eligibility criteria for council housing tenants, and new tenants in housing associations do not have a Right to Buy. Labour's Social Homebuy scheme supposedly was to allow social tenants to buy an equity stake in their property. As of the end of February 2007, there have only been a mere 33 Social Homebuy sales, and only 41 housing associations and 2 councils are offering the scheme (*Hansard*, 20 April 2007, column 792W). The Government estimate that by the end of the year only 1 in 20 social homes will offer Social Homebuy (*Hansard*, 4 June 2007, col. 182W).

Fewer social homes being built

Less social housing has been built in every year under the Labour Government than in any year under the last Conservative Governments (Major and Thatcher) (DCLG, *Live Tables: Housebuilding, Table 241*, as of February 2007; figures for social housing completions in UK, 1979-80 to 2005-06).

First time buyers paying £1,500 more in stamp duty

The average first time buyer thus pays £1,500 in stamp duty (*Hansard*, 18 April 2006, Col. 121W), compared to nothing in 1997, since stamp duty thresholds have not kept pace with house price inflation. None of the thresholds for the 3 per cent or 4 per cent stamp duty bands (£250,000 and £500,000 respectively) have been increased since their introduction, despite rising house prices. The average *flat* in London has to pay a stamp duty bill of £9,000 (based on Land Registry data, May 2007).

Council tax doubling

Council tax has soared across the country under Labour, making it more expensive to own your home, or save for a deposit. . From 1997-98 to 2007-08, bills have rocketed by 92 per cent across England, taking the average Band D bill from £688 to £1,321 (*DoE press release*, 20 March 1997; *DCLG Press Release*, 27 March 2007).

Shortage of family homes

Planning regulations on housing introduced by Labour in 2000 (PPG3, now PPS3) requires new housing developments to pack in 12-18 new dwellings per acre. The flawed rules also class gardens as 'brownfield' land, meaning blocks of flats are being crammed in the place of existing homes with gardens. As a result, there is now a relative glut of flats in the housing market and a shortage of family homes. Homebuilders have warned, "developers are currently being held back from building the types of properties they know people want and as a result the consumer, and young families in particular, are suffering."

http://www.smartnewhomes.com/content/Press_Centre/1270/Young_Families_Are_Suffering_From_A_Desperate_Lack_Of_New_Homes.aspx

INCREASE IN STAMP DUTY UNDER LABOUR

Average home	<i>Value: Q1 1997</i>	<i>Value: Q2 2007</i>	<i>Extra stamp duty</i>
North East	£51,182	£155,188	+£1,552
Yorkshire & Humberside	£52,802	£149,051	+£1,491
North West	£54,957	£152,510	+£1,525
East Midlands	£56,967	£165,880	+£1,659
West Midlands	£65,830	£178,972	+£1,131
East of England	£61,603	£192,701	+£1,311
Wales	£54,340	£163,328	+£1,633
South West	£67,119	£211,418	+£1,443
South East	£85,750	£259,904	+£6,940
London	£92,971	£313,122	+£8,464
Northern Ireland	£51,696	£228,790	+£2,288
Scotland	£59,419	£140,262	+£1,403
UK	£66,956	£196,525	+£1,296

Average first time buyer	<i>Value: Q1 1997</i>	<i>Value: Q2 2007</i>	<i>Extra stamp duty</i>
North East	£37,364	£120,414	-
Yorkshire & Humberside	£39,416	£119,257	-
North West	£39,977	£117,933	-
East Midlands	£41,348	£127,718	+£1,277
West Midlands	£46,873	£134,100	+£1,341
East of England	£45,538	£154,448	+£1,544
Wales	£37,892	£123,554	-
South West	£48,646	£162,443	+£1,624
South East	£57,827	£190,050	+£1,901
London	£68,856	£258,062	+£7,053
Northern Ireland	£39,135	£195,901	+£1,959
Scotland	£45,261	£113,032	-
UK	£48,273	£151,923	+£1,519

Data sources: Halifax historic house price data
<http://www.hbosplc.com/economy/historicaldataspreadsheet.asp>

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