

press release

29th September 2011

FOR IMMEDIATE RELEASE

Coalition “sowing seeds of confusion and preventing investment”

The coalition government is creating uncertainty by putting politics back into the planning process, the shadow business minister Ian Lucas has said.

Dithering and delays in government delivery mean that a lack of clear regulation is preventing investment and stopping work from beginning, he claimed.

Lucas was speaking at a Labour conference fringe event, 'Construction: Building Our Future', hosted by the National Federation of Builders (NFB) and chaired by Lydia Stockdale of Inside Housing.

Alison Seabeck, the shadow housing minister, accused the chancellor of not working in tandem with his colleagues. "You have the chancellor's desire to drive a coach and horses through planning in the interests of growth, set against confused planning ministers' desire to see localism work and enable local people to shape their communities," she said.

Former Labour housing minister Nick Raynsford accused the government of creating a perverse incentive to knock buildings down rather than repair, pointing to a VAT level of 20 per cent for repairs but zero per cent on new builds.

Chris Williamson, shadow communities and local government minister and former bricklayer, said Labour's record in local government was getting stronger.

"Local authorities like Sunderland are providing mortgages and that can help stimulate the local market," he said.

The NFB's chief executive, Julia Evans, reminded attendees that new construction orders were at their lowest in 30 years. With mortgage availability now at 50 per cent of 2007 levels, and the lowest number of houses being built in the UK since the 1920s, a worrying picture of a beleaguered construction sector has emerged.

"This is a huge issue because we're sitting on a potential geyser of demand in the housebuilding sector," she said. "Small and medium sized companies make up 99 per cent of the construction industry and provide three quarters of the employment within the sector. Enabling the conditions for a healthy construction sector is this country's route out of recession, and the government must ensure that housebuilding, sensible planning and viable lending lie at the heart of any growth strategy to kick start the economy."

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Word count - 296

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Notes to Editor:

1. The NFB is one of the UK's longest established trade federations for small to medium-sized (SME) builders, contractors and house builders across England and Wales. It was created 150 years ago to represent the building profession and to help create the conditions for its members to thrive and contribute to the economic success of the UK. Its members range from the sole trader to large, multi-million pound construction companies, with turnover ranging from below £500k to £500m plus. The NFB provides advice, training and business solutions to ensure members stay up to date.
2. The NFB campaigns on the issues that impact the construction industry such as procurement, utilities, sustainability and funding. It represents the industry at government and industry forums and is an active media commentator and policy influencer.
3. For further information please contact the NFB press office on 01293 586664 or email marketing@builders.org.uk