

# Stewart Baseley

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HBF Executive Chairman

# A brighter outlook for house builders

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## Much improved industry position over the past 18 months

- 137,010 starts in 2014 up 59% on 2009 'trough'
- HBF estimates additional 100k people employed in past two years

### *Why?*

- **General economic recovery:** Confidence is returning
- **Help to Buy Equity Loan has unlocked demand:** 43k purchasers including 37k FTBs
- **NPPF has increased supply:** 200k permissions per year - up 69% from 115k over past two years

# However...

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- We are still massively under-delivering new homes
- 3.3m 20-34 year olds living at home with parents
- In 10 years owner occupation amongst 25-35 year olds fallen from 59% to 36%
- 1.4m households on social housing waiting lists
- Less than 1% of stock is specialist retirement housing despite projected 51% increase in over 65s between 2010 and 2030 and doubling of over 85s

# Constraints

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- **Skills:** to better meet demand we need to recruit, train and retain tens of thousands of people right across our businesses
- **SMEs:** Critical to long-term prospects of the industry. Smaller firms hit hard by the recession but the decline began long before 2008. Finance, regulation and planning are key to reinvigorating SMEs.
- **Planning:** We estimate there are 150k plots 'stuck' in the planning system. The rate at which applications are processed must be accelerated.
- **Mortgage finance:** Help to Buy has 'normalised' the mortgage market but builders can only build if buyers can buy.

# HBF activity

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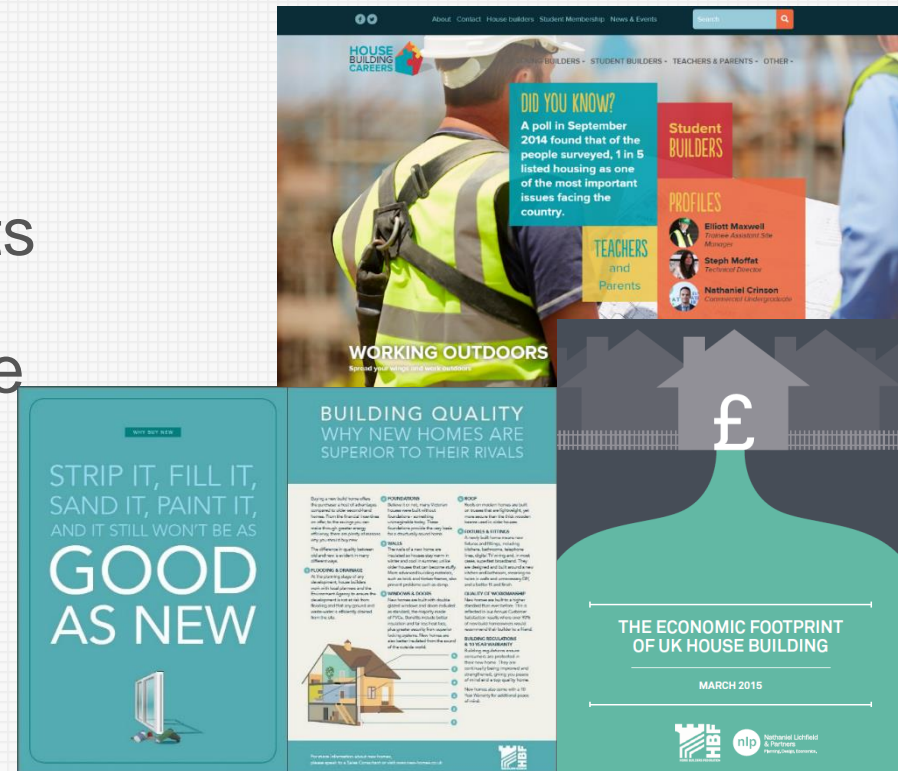
- **Secured extension to H2B – and now pushing all parties to commit to extension**
- **Submitted End to End planning review to cut time taken to process applications**
- **Representing industry at every Local Plan inquiry**

.... Numerous other work areas including;

- CIL
- Housing Standards Review
- Zero carbon
- Release of public land
- SuDS
- Delays to broadband installation
- PRS

# Addressing the long-term negative image of the industry

- Maintain focus on customer service
- New careers web site and HBF student membership category
- Consumer facing factsheets
- Working on Building for Life 12
- Commissioned and published NLP 'Economic Footprint' report



# Industry 'Economic Footprint'

- **£19.2bn** – housebuilding annual contribution to the economy
- **600,000** – jobs dependent upon house building
- **3.9bn** – contribution to local infrastructure via S106/CIL
- **32k** – affordable homes built or financed plus £1bn to local authorities
- **£225m** a year towards educational facilities; equivalent of 52,000 classroom places
- **£355m** stamp duty receipts to the Exchequer via new build sales

plus

- **6.5m** trees and shrubs planted every year
- **£131m** open spaces
- **£180m** Council Tax revenue for local services



# HBF's asks of the next government

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- Urging all politicians to **think long term**
- **Preserve Help to Buy Equity Loan** scheme – and start to plan for life after its withdrawal
- Deliver a sustained **increase in land** coming through the planning system more quickly
- Create a more **business-friendly planning and regulatory regimes**
- Provide more assistance to **SMEs**
- Work with the industry to ensure we have the **skills** and capacity for the future

**BUILDING  
COMMUNITIES,  
GROWING THE  
ECONOMY**

A PLAN FOR BOOSTING  
HOUSING SUPPLY





# Today's agenda

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10.30 – Stephen Williams MP, Liberal Democrats

11.00 – John Stewart, HBF

11.30 – Brandon Lewis MP, Conservatives

12.30 – Emma Reynolds MP, Labour

13.00 – Andy Rose, Homes and Communities Agency (HCA)

14.20 – Mark Aedy, Managing Director, Moelis & Company

14.40 – Adrian Belton, Construction Industry Training Board (CITB)

15.00 – Matthew Spry, Nathaniel Lichfield & Partners

15.20 – Andrew Whitaker, HBF



*The voice of the  
home building  
industry*