

HBF Policy Conference 2022

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Home Builders Federation



2022: The economic and political landscape for home builders

- The cost of materials is continuing to rise, exacerbated by the war in Ukraine
- 2022 has started off strongly in terms of sales, but we remain cautious
- The Government has adopted a far harder approach to the industry, with a 'greedy builder' narrative being pushed by the Secretary of State
- We are urging Government to take a more constructive approach to ensure the industry can continue to thrive



Increases in the cost of living



Mortgage rate interest rises



Materials and labour shortages



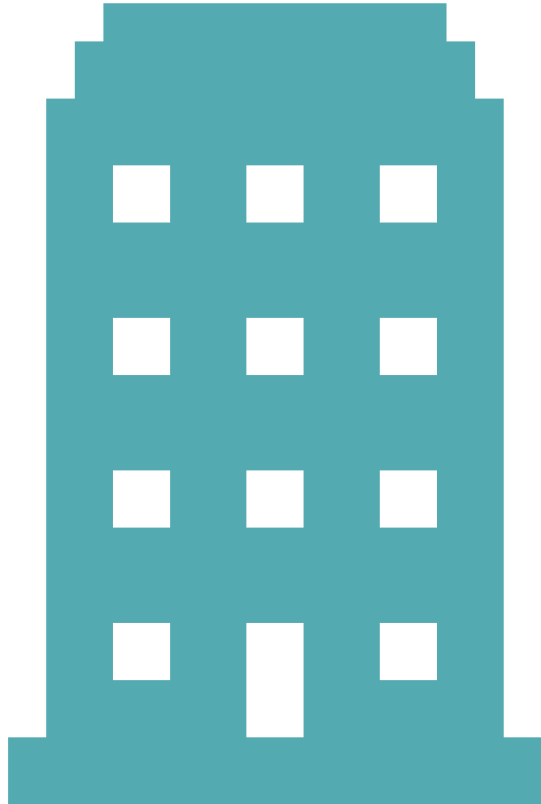
Cost inflation



New era of Government/industry relations



Building safety



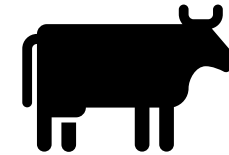
- Building safety has been the dominant focus since the Housing Secretary’s announcement in January demanding a “new deal with industry”
- Over 40 developers have signed the Government’s pledge to remediate buildings of 11 metres and above that they developed over the past 30 years
- We have always maintained that leaseholders should not have to fund the remediation costs of their buildings
- Larger builders have also already committed or spent around a billion pounds to remediate the buildings they have built
- Home builders alone should not have to shoulder the cost of the Building Safety Levy

Nutrient and water neutrality

- Nutrient neutrality is our other pressing concern
- Environment Secretary's recent announcement brought an additional 42 local authorities under the requirements, bringing the total to 74
- HBF's recently published research finds that the current approach is delaying the delivery of 100,000 new homes
- Working with the Government to find a workable solution for industry



Britain | Nutrient neutrality



Britain is tackling river pollution by going after the wrong culprits

Whatever the problem, the solution always seems to be building fewer houses



Planning

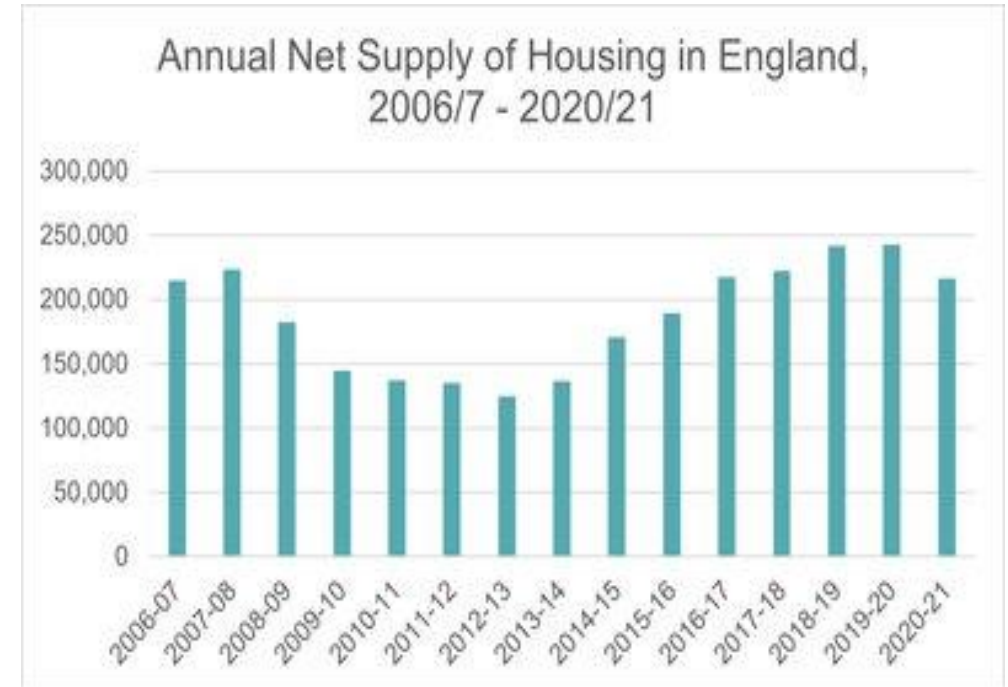


- Planning continues to be a top concern among builders of all sizes
- Housing Secretary, Michael Gove, has taken a softer approach to reform following numerous backbench rebellions and by-election defeats.
- We welcome some measures included in the Levelling Up and Regeneration Bill, that was announced earlier this week, including the simplification of the process for local plans.
- However, the new Infrastructure Levy risks money for affordable housing, and nothing was announced to address the majority of problems that our members face with regard to the planning system.



Housing supply: 300,000 remains the (official) goal?

- Government's commitment to the 300,000 figure appears to be softening
- From a low of 124,720 in 2012-13, net additional dwellings have increased year-on-year to a peak of 242,700 in 2019-20
- In the 12 months to the end of March 2021, 222,250 homes were completed in England. This comprised of 194,060 new build homes, down 11% on 2019-20 (due to the pandemic).
- Supply is going in the right direction again. In the 12 months to March 2022, 239,000 EPCs were lodged for new builds, an increase of 8% on the previous year
- Overcoming the nutrients and planning problems is crucial for housing delivery



Home building: Policy priorities



Environment



Quality



Deposit Unlock



Building regulations



Skills and diversity and inclusion



Mental health

- Improving the mental health of our industry has been something we have been working on since the launch of our mental health campaign at this very event in 2019
- This week is Mental Health Awareness Week
- Construction Industry Charity, Lighthouse Club, are running multiple events and today, a group of campaigners are taking part in the 4 Peaks Challenge, to raise funding to support our workers and their families.
- Over 55 people are taking part, including Bill Hill, Lighthouse Club's CEO.
- Donate to the Lighthouse Club's Just Giving page: www.justgiving.com/campaign/lighthouse4peaks



In summary...

- Despite the challenges facing us, there are reasons to be optimistic
- The pandemic has proved that the industry has the skills, resources and people to overcome the obstacles we face, alongside a determination to continually improve
- HBF will never stop in its efforts to champion the brilliance of this industry





The voice of the
home building
industry

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