

BUILDERS' PRIORITIES FOR THE SPENDING REVIEW 2020



UK builders were significantly impacted by the coronavirus lockdown:

- **Workload, enquiries, and employment all dropped to historic lows**
- **93% said that the coronavirus was constraining their output**
- **71% reported a lower level of enquiries**

Local builders now stand ready to support growth, train apprentices, build more homes and decarbonise our buildings. They must be placed at the heart of plans to build back better and support economic recovery.

Supporting jobs and apprenticeships



71% of construction apprentices are trained by SMEs

Building firms have been contending with a skills shortage for many years. Meanwhile unemployment among young people is increasing. Forging stronger links between colleges and employers will help unlock additional apprenticeships in construction.

Ringfenced funding for each college to have an Industry Liaison Officer would help join the dots.

Delivering new homes



48% of SME house builders say the planning system is constraining their output

SMEs build high-quality, safe, beautiful and sustainable homes, and in each community across the country. However, the proportion of new homes built by SMEs has been in decline since the 1980s. SMEs face disproportionate barriers when engaging with the planning system. **Greater investment in local authority departments would help speed up decisions. Homes England should also forge stronger links with micro and small house builders.**

Decarbonising our homes



Homes consume 30% of UK energy and produce 20% of greenhouse gas emissions

The Government and Parliament should work with the construction industry and commit to a long-term strategy for decarbonising our homes.

This strategy must be underpinned by fiscal measures, including a temporary VAT cut on all home improvement works to 5%. The Government should also bring forward the full £9.2 billion committed in their manifesto. The Green Home Grant scheme is not enough in its current form.

Increasing building safety and tackling late payment



77% of building firms support the principle of mandatory licensing

Driving up minimum standards and improving supply chain payment terms will help the industry to build back better.

The FMB is calling for a mandatory licensing scheme that will remove incompetent builders and increase consumer protection. The Government should also work with industry to end the abuse of retentions and late payment culture. In doing so, SMEs will have more resource to invest in research, development and training.

Delivering high street regeneration



It is estimated that 300,000 people could be housed in homes above shops

The coronavirus has challenged our town centres and retail sector. Local authority investment in regeneration projects, with the objective of creating more housing, will help boost local economic activity and increase footfall on the high street.

The Government should make low-cost loans and fiscal incentives available to help local authorities unlock these opportunities.

Ensuring a smooth end to the Brexit transition period



82% of builders forecast material prices to increase

The construction industry must not face any product shortages or disproportionate costs from January 2021.

This would limit operations, cause cashflow issues, and hamper recovery. It is also important that SME builders are supported to engage with the new immigration system, as 9% of the construction workforce is from the European Union.

Local builders are resilient and adaptable, but they need greater support to help them reach their potential, and deliver on these important social issues.

For more information, contact PublicAffairs@fmb.org.uk.