



CEO Forum

'Taking the Housing White Paper Forward'

13 September 2017

Held by The Housing Forum and NHBC

Key words; Skills shortages, local authority companies, quality, strategic land, procurement, site supervision

The conclusions of the Forum are:

- * There is a concern that the Government has not yet appreciated the impact Brexit will have on supply chain skills. For some major house builders and contractors 60-70% of labour on some sites is EU and in architecture and design is around 25% EU in many practices.
- * If Help to Buy is to cease, a taper should be introduced. Plans are already being made to develop sites into 2020 and beyond so certainty is needed.
- * Local authorities are not bold enough to take decisions on joint working and a number of local housing companies have stalled; so far 6,000 affordable homes have been provided by local authorities.
- * What is really meant by quality in house building? House builders argue that the term is too diverse and does not differentiate between standards and style. Issues of defects are damaging to reputation. Home owners can often regard quality as a matter of taste rather than fitness for purpose.



Ian Davis opened the debate and set out the main issues facing the housing industry. Managing risk post Grenfell will get more intense; the quick start of the Hackitt review suggests there will be a sharper focus on housing standards.

New homes starts rates are flattening and the forecast is only for modest growth this year.

Chris Tinker considered the challenge of major expansion as a house builder. Although Crest Nicholson have grown by 15% p.a. in the past four years, this level of expansion is not typical in the industry and it is unlikely that growth of this magnitude will be readily attainable in the industry overall.

There are only two or three house builders constructing purpose built “Build to Rent” schemes. For Crest this represents 10% of output. Planning permission is very hard to obtain for Build to Rent as planning authorities have no relevant experience and exhibit little flexibility.

Land availability is generally not a limiting factor for house builders – but there has not been a lot of “quality” public sector land in recent years. Some shire authorities have grasped the nettle on release of Green Belt land to help meet housing need but the GLA is less flexible, despite the significant and growing housing need and even with the relatively poor quality of some Green Belt land.

Rob Beiley considered that the financial position of local authorities will become particularly difficult in 2020 when central government grant ceases. House building is a perfect vehicle for local authorities as it increases the tax base, and if built for rent, will give revenue income and allows councils to influence the size, type and location of housing that is built.

Although the role of local authorities as a strategic promoter of land for housing is increasing, there is a shortage of skills in local authorities making it frustrating for joint venture partners and house builders wishing to develop. A way forward is for local authorities to review and streamline procurement processes to make them cost effective for the private sector. Partnership with the commercial sector could also help local authorities to re-skill.

Andrew Beharrell has been assessing the reliance of architectural and design practices on EU personnel and will be raising concerns with Government supported by evidence via a survey of practices, making the case that architecture should be accepted as a “shortage occupation” for immigration purposes, until a sensible long-term post-Brexit arrangement is agreed.

The government’s ambitions to double housing output cannot be realised if housing design practices cannot retain suitable staff, let alone grow to meet demand – especially given the policy emphasis on complex brownfield sites and community engagement, which require the input of specialist architects.

There are further underlying issues; architectural education is expensive and too remote from practice; 30 years of design and build has deprived a generation of architects of site experience.

The Housing Forum is grateful to NHBC for hosting this CEO Forum.

The following took part:

- 🏠 Ian Davis, Operations Director, NHBC (Co-Host)
- 🏠 Andy von Bradsky, Chairman, The Housing Forum (Co-Host)
- 🏠 Shelagh Grant, CEO, The Housing Forum (Co-Host)
- 🏠 Paul Miller, Managing Partner, calfordseaden LLP
- 🏠 Richard Fagg, Land & New Business Director, Countryside Properties (UK)
- 🏠 Chris Tinker, Chairman, Regeneration Division, Crest Nicholson
- 🏠 Jane Owen, Senior Strategy Officer, DCLG
- 🏠 Seth Rutt, Partner – Residential Sector, Hawkins Brown
- 🏠 Kate Henry Aston, Director, Hunters
- 🏠 John Anderson, Executive Director, Kier Living
- 🏠 William Cornall, Director of Regeneration & Place, Maidstone Borough Council
- 🏠 Tim Carpenter, Managing Director, Mears Group
- 🏠 Andy Brown, Assistant Director, Business Development, Octavia
- 🏠 Mike Hinch, Chief Executive, Newlon Housing Group
- 🏠 Andrew Beharrell, Senior Partner, Pollard Thomas Edwards
- 🏠 Andy Gatrell, Assistant Director, Business Development, Swan Housing Association
- 🏠 John Baldwin, Acting Chief Executive, Thames Valley Housing Association
- 🏠 Rob Beiley, Partner, Trowers & Hamlins
- 🏠 Marion Duffy, Director of Neighbourhoods and Operations, Waterloo Housing Group
- 🏠 Paul Nicholls, Regional Managing Director, Wates Residential, South