

## **1. There has been a massive increase in building rates.**

All measures of house building activity and housing output show a strong, positive trend. Net additions to housing stock figures put housing delivery in the financial year 2014/15 at around 155,000 and 171,000 if you include conversions, the numbers of which have been boosted by changes to the office to resi Permitted Development rights. Similarly, since the introduction of the NPPF the number of planning permissions granted in England and Wales is now around 250,000 per annum demonstrating that the planning and sales environment for house builders is encouraging investment in the land, materials and labour needed to meet the country's housing needs.

## **2. However we're still nowhere near to building the number of homes that the country requires.**

Even with the rapid expansion we have seen in the last two years, we are some way off of the **220,000 to 250,000** homes per year that are needed over a sustained period to more effectively meet demand. The consequences of the housing crisis are now being felt by individuals, families and businesses around the country with affordability of housing still a critical concern for many households.

## **3. We need to see more land coming through the planning system and processes that support both large and SME house builders.**

Currently too few local authorities have a fully adopted and up-to-date local plan. Comprehensive coverage of local plans is crucial to achieving the long-term sustained supply of homes that is needed. The actual process of securing planning permission on individual sites has, over the last 25 years, become too complex, expensive and prohibitively risky. Reducing unnecessary delays and de-risking the process as much as possible will encourage new entrants into the market and allow existing small firms to expand.

## **4. House building not only provides new homes, we also deliver huge economic and social benefits for communities all over the country.**

Independent research has found that the industry supports 600,000 jobs while providing tens of thousands of affordable homes and hundreds of millions of pounds in community facilities and upgraded infrastructure. For instance, it is estimated that house builders paid £225m to local authorities in education funding alone in 2014. That is enough for 52,000 classroom places for pupils. Increased house building is giving the economy a huge boost. Building the extra 100,000 homes the country needs each year would support an additional 430,000 jobs and contribute £160m towards education, £128m in tax contributions, 23,000 affordable homes and payments of £2.2bn to local authorities for further provision of new affordable homes - and result in the planting of 4,300,000 trees.

## **5. New homes are of high quality, meaning they're easy to maintain and environmentally friendly.**

New homes are built to a much higher specification than the majority of older homes, so customers get more for their money. Central heating, double glazing and high standards of roof, floor and wall insulation are all included in the price. As well as reducing carbon dioxide emissions, the energy efficiency of new homes means you could save up to £1,400 a year on utility bills, compared to a Victorian equivalent. Standard features often include fitted kitchens with integrated appliances and stylish bathrooms and cloakrooms. New build homes also come with a two year builder's guarantee and a 10 year warranty, giving peace of mind to buyers.

## Key facts:

35%

Between 2004 and 2014, the proportion of 25-34 year olds who were homeowners fell from 59% to 35%.

6.7<sup>x</sup> (avg salary)

In the last 15 years the average house price to salary ratio has almost doubled; the average house price in England is now around 6.7 x average salary



For the first time ever, the number of households outright has exceeded owners with a mortgage

40%

Close to a fifth of women and a third of men aged 20-34 are now living at home with their parents – an increase of 1 million (40%) since 2002. In all, **3.3million 20-34 year olds** are still living in their family homes

77%

77% of young people believe it is now harder for them to own a home than it was for their parents' generation.

56%

The British Social Attitude Survey 2014 found that 56% of those questioned supported new house building in their area – up by 28 percentage points since 2010.

### Starts and completions:

In Q1 2015, housing starts surpassed 40,000 per quarter for the first time since 2007, taking the number of homes started in the year to March 2015 to 140,500, the highest figure since the financial crash. And in further good news, in the 2014/15 financial year, house builders completed 155,000 new homes, a massive increase on the previous year.

### Planning permissions:

The annual run rate for planning permissions is now running at around a quarter of a million permissions per year.

### Help to Buy (Equity Loan):

62,569 properties have been bought with a Help to Buy equity loan, including 50,969 first-time buyers.

### Jobs:

The house building industry is now supporting around 667,000 jobs with over 100,000 new jobs being created in England alone last year as a result of the big increase in house building.

### Net supply of houses:

During 2014/15, there were 170,690 net additions to the housing stock, an increase of almost 25% on the previous year. The main component of this new stock was from 155,080 new build completions.

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