

Terms of Reference: support for small housebuilders

The All-Party Parliamentary Group for Small and Micro Businesses

The All-Party Parliamentary Group (APPG) for Small and Micro Businesses works to raise awareness of small and micro business issues in parliament. The group meets throughout the year to explore, discuss and debate key challenges facing small businesses, and policy that impacts their growth and success.

Introduction

According to the Government's White Paper '*Fixing our broken housing market*', since the 1970s there have been on average 160,000 new homes each year in England. The consensus is that we need from 225,000 to 275,000 or more homes per year to keep up with population growth and start to tackle years of under-supply.

Over the last 25 years the number of SME builders has fallen by over 80%. In 2015 just 18, 000 new homes were registered by small builders, down from 44, 000 in 2007. Scale of the decline suggests there is significant potential in the SME sector to make a significant contribution to building the homes needed if construction firms can be tempted back into the delivery of new homes.

Background

The APPG for Small and Micro Business will hold a short inquiry into how the SME house building sector could be better supported by Government policy. The group are keen to hear from relevant stakeholders to understand the experiences of small housebuilders, how effective Government policy has been in supporting their growth, and what more could be done through policy to support the sector.

Issues the group expects to explore include:

- Workforce and skills
- Access to finance
- Accessing the supply chain
- Barriers to building

Terms of Reference

The APPG will consider oral evidence and oversee oral evidence sessions. The APPG is intending to gather evidence from oral sessions and written evidence submitted. A final report and its recommendations will be submitted to the Minister of State for Housing for his consideration and response.

Workforce and skills

1. Are businesses in the construction sector able to access to the right skills? Are there any sector wide skills gaps?
2. What role could apprenticeships, T Levels and wider education reform have in building the future skills base for the construction sector?
3. What impact do you think Brexit could have on access to skills and labour for the SMEs in the construction sector?

Access to Finance

1. Is access to finance a barrier for SME housebuilders?
2. Are SME's able to access the Government's Home Building Fund, what impact is making on the growth in the sector?

Accessing the supply chain

1. What challenges do small firms face in accessing the supply chain of larger developers?
2. What is the experience of small construction firms in the supply chain?

Barriers to building for small house builders

1. What key barriers to growth – other than those above – do small house builders face? Examples to consider include the planning process, the Community Infrastructure Levy, Section 106 agreements, land banking, and disproportionate costs.

Written evidence

The APPG is intending to gather the majority of its evidence from oral sessions, however we will accept written evidence. If you would like to submit written evidence the deadline is **Friday 12 January**. There is no maximum word count and previously published evidence may be submitted.

Submission from persons and organisations will be published unless specifically requested. Where a person or organisation has stated that they wish for their written evidence to be anonymous, it will be published under the title anonymous.

You can email your evidence to jessica.smith@fsb.org.uk or send us a hard copy to Jessica Smith, Federation of Small Businesses, 2 Catherine Place, Westminster, London SW1E 6HF.

Oral evidence

The group is planning to hold two oral sessions in December 2017 and January 2018 at the House of Commons. We will be inviting a number of organisations we would like to hear from. Those invited to give evidence will largely be small housebuilders alongside some external experts. To express an interest in being invited to give evidence please email jessica.smith@fsb.org.uk.

Further information

Federation of Small Businesses acts as the Secretariat for the inquiry and is the main point of contact for any enquiries relating to this inquiry. Please contact Jessica Smith on jessica.smtih@fsb.org.uk or 020 7592 3351.