

The All-Party Parliamentary Group for Excellence in the Built Environment
House of Commons London SW1A 0AA



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Proud to call home

A report from the Commission of Inquiry
into the challenge of building
1.5 million quality homes that people love



WELCOME



Acknowledgement

We would like to thank the witnesses who gave oral evidence and the organisations that provided written submissions to the Inquiry, as well as those that gave up their time to be commissioners.

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Foreword

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The All-Party Parliamentary Group for Excellence in the Built Environment (APPGEBE) commends the Government's ambition to deliver 1.5 million new homes in this term of Parliament. Throughout our Inquiry we have heard positive feedback on measures taken to get Britain building from industry and politicians alike.

Our ambition, as an all-party group, is to be the Government's critical friend in its pursuit of the 1.5 million homes the country needs. We want to see homes delivered that are of high quality and safe, and which are loved by not only the people who move into them but also by the communities in which they sit.

At the heart of this report is a simple conviction. Ambition is not the enemy of quality. The 1.5 million homes this Government has pledged can be a legacy of which future generations are proud. That will only happen if quality is woven through every decision, in policy, planning, design, and delivery. Our report offers practical recommendations to help achieve that goal.

Homebuilding and community-making is highly complex. There are many areas which contribute to delivering quality. As such, we have chosen to concentrate focus in this report on three areas where we see more debate is needed alongside more focus from industry:

Quality of place. We believe the Government must focus on building communities, not just delivering housing estates. Quality of place should put liveability at the heart of design. Neighbourhoods should feel connected, safe and nurture community. We heard too many times that supporting infrastructure for new homes is delivered last, late or never at all. Currently, the funding and adoption of the critical civil and social infrastructure needed to create vibrant communities has to be

pried from the Treasury, leaving neighbours and new home dwellers feeling let down. We believe this must change.

Quality of product and performance.

We must build homes that last. And every new home should perform as well as it promises. As we scale up, we must break the old link between higher volumes and lower standards. The homes we build should be energy efficient, durable, and deliver what their designs claim, warm in winter, cool in summer and affordable to run. This demands better skills, stronger oversight and modern methods of construction that enhance, rather than dilute, craftsmanship.

Quality of experience. The real test of quality comes after the keys are handed over. Too many new homeowners report encountering poor service, defects, or confusion about how to use increasingly complex technologies within their homes.

We need a culture of 'soft landings' whereby developers stay engaged beyond completion, learning from real performance and supporting consumers to get the best from their homes.

This is a once-in-a-generation opportunity to reshape not just how many homes we build, but how well we build them. We must seize it with ambition, and with quality at its core.

A handwritten signature in black ink, appearing to be 'MR', written in a cursive style.

Mike Reader MP

Chair, The All-Party Parliamentary Group for Excellence in the Built Environment and Member of Parliament for Northampton South

Executive summary and recommendations

Our approach and findings

The 1.5 million homes this Government has pledged can and should be a legacy of which future generations are proud.

This Inquiry by the All-Party Parliamentary Group for Excellence in the Built Environment (APPEBE) set out to gather insights, strategies and innovative solutions from industry experts and stakeholders on how we can ensure that building more homes is not accompanied by poor quality of design, construction and placemaking. Our Inquiry did not aim to conduct a thorough investigation into whether we can deliver on the numbers: we concentrated on the issue of building at scale while also delivering on quality.

We want to see homes delivered that are of high quality and safe, and which are loved by not only the people who move into them, but also by the communities in which they sit. Government itself will invest nearly £4 billion a year in new affordable housing or £39 billion for the next 10. This is an unprecedented commitment, but the outcome must not be soulless estates or homes plagued by defects of the kind we have heard far too much about for so many years. This is a once-in-a-generation opportunity that cannot be squandered.

There are many areas which contribute to delivering quality. As such, we have chosen to concentrate this report on three areas where we would like to see more debate and focus from the industry.

Quality of place. We believe the Government must focus on building communities, not just delivering housing estates. Quality of place should put liveability at the heart of design. The Inquiry heard that although the Government has been clear in its intentions, with planning guidance that states that new homes and neighbourhoods should promote wellbeing and sustainability and also advocates the importance of placemaking

in new development, it is not being adhered to or translated into practice. Newly released consolidated design guidance published in January doubled down on this aspiration. (*Design and Placemaking Planning Practice Guidance*).

Quality of product and performance.

We must build homes that last. And every new home should perform as well as it promises. As we scale up, we must break the old link between higher volumes and lower standards. The homes we build should be energy-efficient, durable, and deliver what their designs claim, warm in winter, cool in summer, and affordable to run. This demands better skills, stronger oversight, and modern methods of construction that enhance, rather than dilute, craftsmanship.

The Commission takes the view that thoroughly proven and tested offsite construction can play a bigger and critical role in the scale up of new home construction, in a way that is safe, sustainable and cost effective.

Quality of experience. The real test of quality comes after the keys are handed over. Too many new homeowners have reported poor service, defects or confusion about how to use increasingly complex technologies within their homes. We need a culture of 'soft landings' whereby developers stay engaged beyond completion, learning from real performance and supporting consumers to get the best from their homes.

All new homeowners are entitled to swift and fair redress. We therefore welcome Government's pledge to ensure the New Homes Ombudsman service will cover all new homes – a reform we have championed through two previous Inquiries – but it needs to be speeded up.

We set out our recommendations on how we can enhance quality across these three broad areas.

Recommendations

To get Britain building more homes

We acknowledge that Government has already set out many strands of housing policy including its social and affordable housing investment, a decade-long renewal plan and financing reforms for delivery, but these sit across multiple announcements. A joined-up housing strategy should consolidate them into a single roadmap with milestones, metrics and transparent reporting so that the ambition to “build, baby, build” translates into homes and neighbourhoods’ people are proud to live in.

- It is vital Government develops a comprehensive national housing strategy to align land release, planning capacity, skills and infrastructure investment – including provision of electricity distribution and water supply.

To deliver quality of place

- Local authorities and Government need to consider how to give more weight to design guidance promoting high quality placemaking. This might include:
 - Requiring applications for outline planning permission for all developments over 250 homes to either be supported by site-specific masterplans and design codes, complying with the national core design standards for greenfield sites, or be subject to conditions requiring these to be produced following the

granting of outline permission and before the submission of detailed reserved matters.

- Making it a requirement of spatial development strategies that they should articulate a clear vision of what a project within an area should look like in the future. This includes identity and character, sustainability and resilience, connectivity and accessibility, with due regard to the end user’s experience.
- Making design review a requirement of the planning process for developments over 250 houses and for key strategically important sites and historical settings, as identified by the local authority.
- Government should consider legislative options to require developers’ contributions such as Section 106 to be spent by local authorities according to their negotiated purpose and within their agreed time in a ‘use it or lose it’ approach. Any unspent monies should be returned to a community fund for repurposing. There must be a transparent process established so that the public and developers know how the money has been spent, or if it hasn’t been spent, why.
- Local authorities should appoint a chief planning officer at cabinet level to drive the professionalism and responsibility in decision making that’s required to unlock planning delays and command the level of respect needed when negotiating and liaising with senior members.

To deliver quality of building**By boosting education and training**

We recognise that quality on site and quality of product relies as much on culture as it does on performance metrics and standards. To embed a boost to skills and pride in work we want to see education and training for this critical endeavour continue to be placed high up on the Department for Education's agenda.

- Follow the lead taken by Wales and Northern Ireland and make available in schools in England the GCSE for the built environment (or construction and the built environment in NI) as a potential pathway to careers in the sector.
- Continue the reform of further education construction courses in collaboration with industry and the Construction Skills Mission Board to put a greater emphasis on the development of skills needed for the future of housebuilding, modern methods of construction (MMC) and digital skills, and ensure further education colleges are properly funded and resourced.
- Incentivise industry to commit to giving more young people a chance to try the sector by offering paid work placements across skills and professions under the Government's Youth Guarantee scheme.¹

By supporting modern methods of construction (MMC)

Government should:

- Encourage and support modern methods of construction with financial support through grants focused on opportunities that can provide assurance to the

MMC sector, providing a steady pipeline of work.

- Introduce an MMC planning passport, whereby pre-accredited systems and typologies receive expedited planning consideration with focus of consideration at planning application stage limited to layout.
- Develop and introduce design code guidance/national standards for MMC and systemised facades.

By improving oversight

- Government should stipulate a minimum number of inspections of works when on site by building inspectors as part of its ongoing review into building control and set a minimum number of inspections to be undertaken by warranty providers.

To deliver quality of experience

- Government should mandate a 'soft landings' approach and greater post-occupancy evaluation of energy performance so as to help understand and close the performance gap and ensure consumers get the best out of the systems in their home.
- Government can improve consumer protection by mandating participation in the single consumer code and registration with New Homes Quality Board (NHQB)/New Homes Ombudsman.
- Developers must disclose performance test certificates to purchasers at completion. Until the statutory ombudsman goes live, authorities should require NHQB registration as a condition of planning.

¹ www.gov.uk/government/news/new-youth-guarantee-for-eligible-young-people-and-funding-for-libraries-in-all-primary-schools

The inquiry

1.1 About the Inquiry

Government has set out a hugely ambitious homebuilding programme and is backing this up with the biggest funding support in a generation. It is absolutely vital that this is spent in a way that can help provide a lasting legacy for communities with homes of the highest quality and that we avoid the many problems of the past. This Inquiry by the All-Party Parliamentary Group for Excellence in the Built Environment (APPGEBE) set out to gather insights, strategies and innovative solutions from industry experts and stakeholders on how we can ensure that building more homes is not accompanied by poor quality of design, construction and placemaking. Evidence was gathered through written submissions and three oral sessions held in July.

Proud to call home is the first inquiry of the APPGEBE since it was reformed in this new parliamentary term. It is chaired by Mike Reader, MP for Northampton South.

The APPGEBE was originally established in 2010 and has been a vital forum for cross-party dialogue and inquiries into the strategic challenges and opportunities facing the built environment sector – from flooding mitigation to poor procurement. The Group's previous six inquiries have led to influential reports, notably *More homes, fewer complaints* (2016) and *Better redress for homeowners* (2018), whose combined impact led to Government setting up a New Homes Ombudsman. This new report has been produced by a Commission of Inquiry, set up by the APPGEBE.

1.2 Members of the Commission of Inquiry

Mike Reader MP

Chairman of the APPGEBE and the Commission of Inquiry

Gideon Amos MP

Margaret Mullane MP

Vikki Slade MP

Lord Richard Best OBE DL

The Earl of Lytton

Lesha Chetty

Director for Local Government and Communities, Mace

Lindsey Richards

Chair, the Construction Industry Council Housing and Planning Panel

Mark Robinson

Group Chief Executive, the SCAPE Group

Steve Turner

Executive Director, Home Builders Federation

1.3 Secretariat

The Secretariat for the APPGEBE continues to be supported by the Construction Industry Council (CIC) and Mike Reader's parliamentary team.

Graham Watts OBE

Chief Executive, Construction Industry Council

Denise Chevin MBE

Rapporteur and the report author

Matt Mahony

Policy & Public Affairs Manager, Construction Industry Council

Lawrence Bellinfantie

Communications & Event Executive, Construction Industry Council

Theo Shaw

Head of Office, Office of Mike Reader

SECTION TWO:

The task at hand

Why it's proving difficult to increase housebuilding

2.1 Overview of the challenges

At Labour's party conference in September 2025, Government doubled down on its pledges to get the nation building and, specifically its manifesto pledge to build 1.5 million new homes in this term of Parliament. Twelve locations for new towns have been identified with the first three likely to be Tempsford, Bedfordshire; Leeds South Bank, West Yorkshire; and Crews Hill, Greater London. Work on them is due to start during this Parliament. Steve Reed, Secretary of State for Housing, Communities and Local Government, will establish the New Towns Unit to fast-track development.

If Government can make good on its promise to accelerate housebuilding in this Parliament and deliver the 1.5 million homes, it will go a long way to tackling the housing crisis and provide a welcome boost to the economy.

Sheer numbers alone, however, cannot be the sole measure of success. Equally important is new homes that people want to live in – and can afford to live in. Not just on the day they move in, but for years to come and for generations thereafter.

The Inquiry heard that achieving quality and diversity in supply will require new delivery models. Community Interest Companies, housing associations and SME developers could play a larger role in delivering smaller, design-led schemes – with Homes England support tailored to de-risk these pipelines.

As those giving evidence to our Inquiry repeatedly told us, quantity cannot be at the expense of quality. The lack of affordable, good-quality homes is currently costing society £18.5 billion a year, through clearly linked knock-on effects such as poor educational achievement and loss of productivity, as well as associated costs to health and care services, including £1.4 billion a year to treat people for preventable housing-related ill health, such as lung and heart conditions.²

Though we did not define 'quality' at the start of this Inquiry, a clear picture of what we came to envisage is captured by the 2024 National Planning Policy Framework's

statement that: "The creation of high quality and sustainable buildings and places is fundamental to what the planning and development process should achieve. Good design is a key aspect of sustainable development, creates better places in which to live and work and helps make development acceptable to communities."

Good quality new homes provide enough internal space for comfortable day-to-day living and flexibility, and are built to last. They are warm in winter, cool in summer, energy efficient and have low running costs. They are free from damp and high external noise levels. They are safe and secure.

Additionally, they should be accessible and adaptable with thoughtful design, materials and external proportions that reflect local character and help create a sense of place and pride. They reduce harm to the environment by reducing emissions and water usage and actively improve biodiversity.

Creating places people want to live means creating quality neighbourhoods too. It means streets that are easy to walk or cycle, squares and parks that are inviting for people to spend time in, and green corridors weaving through a development which bring communities to life. Schools and community hubs keep people connected, while access to nature – gardens, trees, parks and waterways – supports wellbeing, encourages exercise and fosters social interaction and a sense of belonging.

The New Towns Task Force has recommended all these placemaking principles, and Government has accepted them. But they cannot be the preserve of new towns alone. Residents and local authorities have described some new estates as soulless, lacking parks, schools and community amenities. Critics warn that pressure to meet numerical targets risks repeating the mistakes of past quantity-driven programmes, creating isolated dormitories rather than thriving neighbourhoods.

Encouragingly, many of these quality attributes are already enshrined in planning guidance. The current live National Planning Policy Framework (NPPF) has four accompanying documents that provide

² Design and Placemaking Planning Practice Guidance, Government, January 2026 www.gov.uk/government/consultations/design-and-placemaking-planning-practice-guidance

greater clarity on how to deliver on quality placemaking. These four documents, National Design Guide, Design: Process and Tools Planning Practice Guidance, National Model Design Code: Part 1, National Model Design Code: Part 2 (Guidance Notes) have now been consolidated into one accessible guidance note, released for consultation as the Design and Placemaking Planning Practice Guidance in January 2026. This guidance defines high-quality design through seven core aspirations.

These are:

- **Liveability:** homes should be close to everyday amenities (like doctors' surgeries and shops), designed for all stages of life, and include both private and communal spaces.
- **Built form:** rooms must be sized for health and wellbeing, featuring good storage, ventilation, sunlight, and minimal outside noise.
- **Movement:** streets should be safe and designed for people, prioritising accessible public transport and active travel over car-dominated layouts.
- **Climate:** buildings must be resilient to climate change, using green/brown roofs, solar panels, and electric vehicle charging, while providing adequate shade and flood mitigation.
- **Nature:** new builds should support nature recovery through features like "hedgheg highways," swift bricks, and high-quality green parks.
- **Public space:** well-located spaces that encourage social interaction and benefit from "natural surveillance" from surrounding windows.
- **Identity:** character must be shaped by local history, culture, and landscape, rather than "cookie-cutter" designs.

The aspirations of the document have been well received for giving more weight to design considerations. It accompanies a revised NPPF 2025, released for consultation in December 2025,³ which is moving the planning system to become more rules based.

But while extremely welcome, guidance in itself, is not enough. Recommendations and principles are not always followed. Yet given the tilt in the proposed new framework to a presumption in favour of sustainable development, making it harder for local authorities to refuse application it is arguably more crucial than ever developers paid heed to this guidance.

Concerns over the ability to scale-up housing delivery were raised by many of our witnesses. The President of the Royal Institute of British Architects (RIBA), Muyiwa Oki, told the Commission that the homes and places we build must prioritise good design, sustainability and accessibility to meet people's needs now and be adaptable to meet the changing needs of future generations.

We agreed with the sentiment he expressed that a credible, coordinated strategy – backed by resources, regulatory clarity and a relentless focus on quality – is essential.

In its written submission RIBA pointed out that higher grant rates for social housing give councils and housing associations more flexibility to prioritise space standards and energy efficiency in this segment of the market, but ensuring quality across the private market will require stronger enforcement of design codes and building regulations.

It stated: "The New Towns Task Force could help reset expectations. If backed with clear design codes and guaranteed infrastructure funding, it offers a chance to deliver well-planned, mixed-tenure communities—echoing the best of the post-war new towns rather than repeating the shortcomings of many recent large-scale estates."

With home completions currently declining, the coming years will see increasing pressure to accelerate delivery to more than 300,000 a year. Yet annual completions have rarely exceeded 240,000 even in the best recent years. And as we know from past experience, accelerating delivery has led to problems in the quality of building.

This issue seemed to us particularly pressing given widespread reports of the skills shortages that will need to be addressed if volumes increase, particularly

³ www.gov.uk/government/consultations/national-planning-policy-framework-proposed-reforms-and-other-changes-to-the-planning-system

against the backdrop of a 10-year £530 billion Infrastructure pipeline,⁴ meaning housebuilding would be competing with other sectors for professional services, designers, constructors, project managers and skilled trades people.

Data from the National House Building Council (NHBC) reveal persistent defects at handover, from inadequate insulation to plumbing and electrical faults. The scale of the issue has even resulted in a modern trend of social media influencers sharing new home snags, with the most popular accounts having hundreds of thousands of followers and viewer counts in the tens of millions.⁵

In a report published in August 2025⁶ and highlighted in its evidence, NHBC points to an historic link between build volume and the quality of construction in newly built homes. As build volume increases, customer satisfaction decreases and the number of potential defects identified by NHBC rises. The increase in volume comes at a time of significant regulatory change, uptake in new technologies, skill and workforce shortages and the adoption of innovative construction systems.

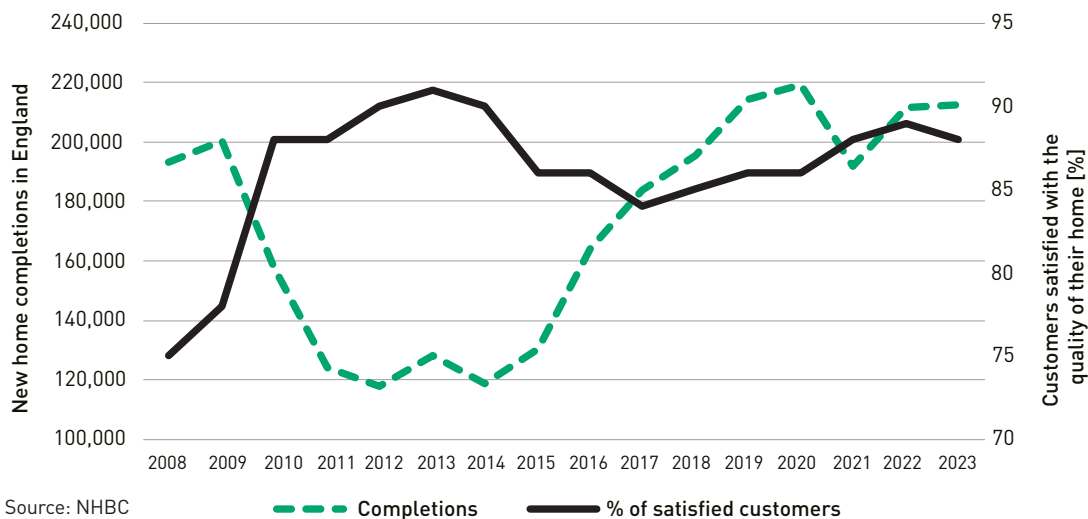
As the Government looks to stimulate housing output, the NHBC's report makes clear that the traditional nexus between increased volume and a reduction in quality

must be broken. The report is based on a round table discussion hosted by the NHBC Foundation to identify actions that could do exactly that.

As we discuss later in our report, more exacting standards in the New Homes Quality Code set out by the New Homes Quality Board (NHQB) coupled with access to the New Homes Ombudsman service (both recommendations from our previous reports) should help reduce the risks of increased output leading to rising defects. However, because signing up the NHQB and New Homes Ombudsman service are not mandatory as yet they are only providing protection for around half of all new homes built. This must be put on a mandatory footing to cover all new homes.

The APPGEBE has previous experience in investigating unacceptable defects in housebuilding that emerged in the early 2010s, in houses built as the industry came out of the 2008-2010 slump. Given the similarity of issues between then and now, it seemed a pertinent time to reconvene after a six-year hiatus and set out how to achieve quality in its broadest sense for the consumer – quality of design and placemaking, quality of build, and quality of experience in buying a new home.

Figure 1 New home completion vs national new homes survey (2008–2023)



Source: NHBC

⁴ www.gov.uk/government/news/infrastructure-pipeline-kicks-off-new-era-of-infrastructure-delivery

⁵ <https://tiktok.com/@newhomequalitycontrol>

⁶ Maintaining quality in the design and construction of 1.5 million homes, NHBC Foundation, August 2025. www.nhbc.co.uk/insights-and-media/foundation/publications/maintaining-quality-in-the-design-and-construction-of-1-5-million-homes

Hitting the numbers

Government reforms will swell numbers, but more help and a national plan is needed

3.1 Barriers to development

It was made abundantly clear to us that housebuilding is facing strong head winds and supply levels are currently flatlining at best at around 200,000 homes per year, way below the level needed to hit the 1.5 million target, and that scaling up to the extent Government hopes for will be enormously challenging. We all recognise that.

Our Inquiry did not aim to conduct a thorough investigation into whether we can deliver on the numbers: we concentrated on the issue of building at scale while also delivering on quality. But it would be remiss not to acknowledge how many challenges housebuilders are facing, with major housing supply indicators continuing to trend downwards:

- Completions have continued to fall, with the latest Energy Performance Certificate (EPC) data showing in the 12 months to September 2025, 201,000 EPCs were lodged for new dwellings, a 5% decrease on the previous year.
- The number of active residential development sites has declined consistently for five years.
- Most concerningly, planning permissions, which is the most reliable leading indicator of future housing output, have fallen to their lowest level since records began. The *HBF Housing Pipeline Report* recorded just 1,311 sites consented in the third quarter of 2025, marking the 11th successive quarter of decline in the number of sites permissioned for new homes. On an annualised basis, only 209,781 new homes were permissioned in the year to September 2025 marking the lowest for a 12-month period since 2013 and 38% lower than the peak seen in early 2022.

The Secretary of State for Housing, Communities and Local Government, Steve Reed has called the latest planning figures “unacceptable” and consequently announced a new building-acceleration package to help get spades in the ground.

Widespread scepticism that the 1.5 million target can be accomplished in this Parliament

is therefore understandable. It was a view shared by many of those giving evidence.

This slump, we were told, relates to a number of factors.

- Developers can only build at the rate homes can be sold, and the macroeconomic climate has turned against rapid expansion. Higher interest rates and the cost-of-living squeeze have cooled buyer demand.

Crucially, for the first time in decades there is no Government support scheme for first-time buyers, following the closure of Help to Buy in 2023. According to UK Finance, average first-time buyer mortgage rates hover around 5%, and the typical deposit now exceeds £60,000 in England. Without targeted demand-side support, developers face slower sales and little incentive to accelerate.

- Rising costs are also putting the brakes on schemes. These include the new building safety levy, biodiversity net gain and soaring material prices. Developers are also facing additional costs from a proposed hike in landfill tax and employment costs, such as the April 2025 increase in employer national insurance. All of this is having a severe impact on viability and is more pronounced in some areas of the country than others. Zoopla’s *Viability of Homebuilding Report* published in September 2025 revealed that building homes is not currently financially viable across 48% of the country.⁷
- Housebuilders are halting developments because very few housing associations and other registered providers in the market have been willing to take Section 106 homes, as they have had to concentrate on upgrading existing homes. The Home Builders Federation (HBF) recently reported to the Housing, Communities and Local Government Committee that at least 17,000 affordable homes were stalled by lack of bids from housing associations. This is resulting in sites not starting at all or stalling part way though, and is therefore also delaying tens of thousands of homes for sale.

- Even when schemes are viable, getting them through the planning system is increasingly difficult. The shortage of capacity in local authority planning and legal departments as well as resourcing challenges in statutory consultees, is causing significant and persistent delays in the processing of planning application decisions across the UK. In a 2025 report, the HBF found that from July 2022 to June 2024, only 19% of major planning applications were decided within the 13-week timeframe.
- High-rise development, vital to meeting targets in dense urban areas, is being held up by processes put in place by the new Building Safety Regulator (BSR). Since April 2024, new residential buildings of over 18 metres in height must pass Gateway 2—a detailed design approval before construction can begin. Intended to improve safety post-Grenfell, the BSR regime has created significant bottlenecks. Developers report schemes halted as they await sign-off, with some applications taking many months longer than expected, and uncertainty about evidential requirements adding to costs. Industry bodies warn that Gateway 2 delays are suppressing starts on hundreds of high-density sites critical to urban supply. Since taking evidence we have been pleased to see that the BSR has said it has now reduced the times for processing applications at Gateway 2 to bring them close to or within the 12-weeks initially pledged.
- Infrastructure connections present another drag on developments. The impact is felt both in the planning process and in delivery. At planning stage, we heard that utilities companies are objecting to new homes because of a lack of water, sewerage and power capacity, despite it being their responsibility to provide these. In delivery, developers are waiting years for grid connections, putting planning-approved developments at risk. We believe this problem will grow if the electricity network operators do not become more responsive once the Future Homes

Standard is introduced, as it requires homes to be heated by electricity rather than gas.

- On a more positive note, the Government is looking to address delays to housebuilding caused by nutrient neutrality rules. This includes providing funding for mitigation schemes, introducing new legislation to accelerate nature-friendly solutions, and requiring water companies to upgrade their treatment works.

3.2 Reforms and initiatives

The Inquiry acknowledges that measures the Government has put in place will help and are hugely welcome.

Those giving evidence welcomed changes in the revised National Planning Policy Framework (NPPF), reversing some of the damaging changes made under the previous Government, strengthening requirements for local plans and seeking to speed decision-making. These include mandatory housing targets for principal authorities, with higher targets in areas with significant housing unaffordability. The NPPF 2025 revision released in December 2025 firmly tilted the new framework to a presumption in favour of sustainable development, with a focus on accelerating housing delivery and economic growth. One of the new mechanisms for this is the relaxing of greenbelt rules. This allows local planning authorities to review and release poorer-quality green belt land if unable to meet their housing need with non-green belt and brownfield land.

The Planning and Infrastructure Bill is also intended to streamline infrastructure consents.

Alongside planning reforms Government is also looking to ease the housing crisis with a £39 billion spending pledge over 10 years for the Affordable and Social Homes Programme (AHP). This sees a return to grant levels that will allow 180,000 genuinely affordable, or ‘social’ homes to be built out of the 300,000 it is funding. The £3.9 billion a year is a considerable increase on the £2.3 billion the Government inherited. This

should begin to reverse the decline in affordable housing completions, which decreased by 2% in 2023-24 compared to the previous year, with 62,289 affordable homes delivered.

Another boost comes in the form of a new £6 billion Social Housing Acceleration Fund (launched September 2024), which aims to unlock stalled sites and refurbish existing stock. And Right to Buy has been reformed so local authorities can retain 100% of receipts and ensure one-for-one replacements.

The measures and initiatives that have been put in train will take time to feed through to housing completions. But it will help accelerate delivery as the Parliamentary term progresses as long as MHCLG drives the programme and is supported at the highest levels of Government.

However, it is vital that action is taken to address the numerous barriers to delivery that industry is facing in the short term, specifically viability and affordability.

3.3 The urgent need for a national plan

To add further momentum, we need a comprehensive national housing plan to align land release, planning capacity, skills, consumer standards and infrastructure investment, including provision of electricity distribution and water supply.

Such a coherent long-term housing strategy is overdue. Ministers have repeatedly said the strategy would come “later this year”. It was first trailed alongside the 2024 Spending Review, then reiterated in written statements in February 2025, and again in July and September, yet it has not been published and appears to have been kicked into the long grass. A clear, dated strategy would give councils, communities, Homes England, the industry and investors the certainty to plan, sequence and deliver, anchoring quantity to quality from the outset. It should explicitly embed design quality and consumer protection (including the New Homes Ombudsman architecture) as core tests of success, not afterthoughts.

Delivery of 1.5 million homes cannot be the task of The Ministry of Housing Communities and Local Government alone. It relies on every department playing its part in a single plan. The Treasury must align funding and fiscal rules with housing outcomes, and debunk rumours on taxation which worry the market. The Department for Energy Security and Net Zero must ensure grid capacity and Future Homes Standard implementation are synchronised with build-out. The Department for Environment, Food and Rural Affairs must unlock wastewater connections. The Department for Transport must sequence transport. The Department for Education and the Department for Work and Pensions must expand construction skills, apprenticeships and in-work training, and money must be brought forward for new schools, so they can open earlier during build-out.

At the same time, Government plans to introduce the Future Homes Standard which will require coordinated delivery on energy networks as homes become totally electric.

We firmly believe that without one cross-Whitehall timetable and accountability framework, these interdependencies will continue to slow programmes and erode quality on site.

Above all, quality has to be the organising principle of that strategy: quality of place, using National Design Guides and Model Design Codes consistently; quality of product and performance in skills, modern methods of construction standards, inspection and warranty minimums; and quality of consumer experience including universal redress and ‘soft landings’.

Government has already set out a social and affordable housing investment, a decade-long renewal plan and financing reforms for delivery, but these sit across multiple announcements. A joined-up housing strategy should consolidate them into a single roadmap with milestones, metrics and transparent reporting so that the ambition to “build, baby, build” translates into homes and neighbourhoods people are proud to live in.

Recommendation

- It is vital Government develops a comprehensive national housing strategy to align land release, planning capacity, skills and infrastructure investment – including provision of electricity distribution and water supply.

Should we consider changing building regulations all at once?

To reduce regulatory pain and cost of implementation NHBC suggested to the commissioners that regulations be changed in batches – not via a continuous conveyor belt which disadvantages SMEs. Introducing all changes together at the same time would reduce the frequency of redesigning. Richard Smith, the NHBC's head of standards and research, said that every time changes are made to different parts of the Building Regulations (like Part M, K or L, for example) it then necessitates a change in the house type layouts, which can slow things down. He also said that Approved Documents could be written in a more accessible way so that changes were clearer. We are not able to judge how practical this would be to implement, but it seems a logical suggestion worthy of MHCLG consideration.

How do we deliver quality of place?

Why we need to give more weight to design guidance promoting high quality placemaking and landscape and also more transparency in spending Section 106 agreements

4.1 The need to commit to higher quality design

The National Design Guide,⁸ which accompanies the NPPF, states: “Well-designed places influence the quality of our experience as we spend time in them and move around them. We enjoy them, as occupants or users but also as passers-by and visitors. They can lift our spirits by making us feel at home, giving us a buzz of excitement or creating a sense of delight. They have been shown to affect our health and well-being, our feelings of safety, security, inclusion and belonging, and our sense of community cohesion. They function well, accommodating businesses, homes and a range of other uses and activities that support our everyday lives.”

The Inquiry was referred to this statement in a joint submission by four eminent housing architects. Ben Derbyshire, Andrew Berharrell, Andy Von Bradsky and Matthew Goulcher say that although there is a clear national planning policy for well-designed places, and strong supporting guidance, the design of much new housing remains poor. We heard from them that few local planning authorities have sufficiently strong local policies and processes to ensure design requirements of the NPPF are met, as most have seen an erosion of their skills and resources over the past few years.

The Inquiry heard from others too that the placemaking approach advocated in Government planning and design guidance for new development is not being adhered to. As mentioned earlier in the report, Government has doubled down on the importance of good design and placemaking in its new *Design and Placemaking Planning Practice Guidance*,⁹ released in January for consultation as the report was being finalised.

But the fact that government design guidance is not being sufficiently adhered to (it is not mandatory) is deeply disappointing. Guidance from organisations like Public Health England, the Design Council and the Town and Country Planning Association emphasise that placemaking addresses the wider determinants of good health, such as access to green space, active travel and

community empowerment. The RIBA says it is crucial to ensure that new towns have high-quality social infrastructure, including healthcare, schools, community centres and sports facilities, which should be sequenced early in the development process to provide community focus and cohesion.

This approach is also advocated in the report from the New Towns Taskforce.

Historic England pointed out in its submission: “Good design more broadly looks at a range of factors that don’t inherently increase cost, considering how a place functions and how people engage with it through aspects like layout, relationship between spaces and mixes of use. The better a place functions and more attached people feel to it, the greater the chances of its long-term economic success.

“Similarly, one of the key goals of good design is optimising the effective use of land, including increasing density sustainably, contributing to viability. For new development this can often be best achieved by applying historical and contextual patterns of development that are inherently cost effective, such as dense terrace housing. Evidence to the Inquiry cautioned that while higher densities have a role to play, many high-rise schemes struggle to deliver long-term value for money or durability. The economic lifespan of key building components may be as short as 60–75 years, raising questions about sustainability, maintenance, and consumer fairness in 999-year leases. Policy should promote models that balance density with liveability and longevity.

“Ultimately, people place value on the quality of a place and this in turn drives its economic success.”

This stance was echoed by the Royal Institution of Chartered Surveyors (RICS), whose witness to the Inquiry cited research the organisation has undertaken which found a clear commercial advantage for schemes that prioritise placemaking, often achieving premium prices for homes.¹⁰

Tony Mulhall, Senior Specialist at RICS, told us that they were now looking to repeat

⁸ The National Design Guide, MHCLG published 2019 and updated 2021 www.gov.uk/government/publications/national-design-guide

⁹ Design and Placemaking Planning Practice Guidance, MJCLG, January 2026 www.gov.uk/government/consultations/design-and-placemaking-planning-practice-guidance

¹⁰ Placemaking and value 1st edition, RICS, February 2016 www.rics.org/content/dam/ricsglobal/documents/standards/placemaking_and_value_1st_edition.pdf

the exercise. He lamented the lack of up-to-date local plans, which he said were foundational to sustainable development. As of February 2025, the National Audit Office found 86 local planning authorities (fewer than a third of the total) had an up-to-date local plan, even though Government planning policy says they should be reviewed every five years. When the National Audit Office reported on this in February 2019, 149 local planning authorities had an up-to-date local plan.¹¹

In a draft of a new report, entitled, *Placemaking not plotting*, the architects Ben Derbyshire, Andrew Berharrell, Andy Von Bradsky and Matthew Goulcher set out solutions for improving design quality by giving national guidance more traction at local level. Like others, they point out that the *National Design Guide* and the *National Model Design Code* are instruments available to developers and local planning authorities to ensure quality is embedded in applications for new development and that effective change requires only small steps. These documents along with two others have been merged to form *Design and Placemaking Planning Practice Guidance*.

They suggest that the planning system should require compliance with core quality standards at the earliest practicable stage. They also suggest that applications for outline planning permission should either be supported by site-specific masterplans and design codes, complying with the national core design standards for greenfield sites, or be subject to conditions requiring these to be produced once outline planning permission has been granted and before the submission of detailed reserved matters.

Additionally, they suggest embedding design reviews in the planning process for pre-application review, funded by applicants, of sites for 50 homes or more. However, the Commissioners queried the cost and impact of time on requiring this for sites typically developed by SMEs. The Commissioners agreed a higher house target should initially be 250 homes and for key strategic important sites and historical settings as identified by the local authority.

It is hoped that the Planning and Infrastructure Bill will enable the Government to introduce a system of strategic planning across England. The strategic planning tool being introduced is the Spatial Development Strategy (SDS), which is closely modelled on the system in place in London for over 20 years.

The Bill places a duty on combined authorities, combined county authorities, upper-tier county councils and unitary authorities to prepare an SDS for their area, which should also underscore the importance of placemaking.¹²

The RIBA would like to see commitment to higher quality design firmed up. Its President Muiywa Oki told the Inquiry: “We are calling for an amendment to the Bill to include design vision within the spatial development strategies. Design vision is a clear articulation of what a project within an area should look like in future. This includes identity and character, sustainability and resilience, connectivity and accessibility, with due regard to the end user’s experience.”

This is a highly desirable objective. But to achieve it, local authorities need help in strengthening their design and planning skills and resources. In its submission, RIBA points out that planning departments have experienced severe cuts in terms of real terms budget allocation from 2010 to 2020, with research showing that spending on planning is down 40% from 2010/11. This impacts the ability to recruit and retain experienced staff, leading to delays, and sometimes affects the level of scrutiny afforded to applications.

In the Local Authority Planning Capacity and Skills Survey 2023 almost all (97%) planning departments reported some planning skills gaps.¹³ Government is funding another 300 planners, but we agree with witnesses that while welcome this will not be enough.

Indeed, HBF’s recent report, *Planning on Empty*, found that the number of planners needed is actually 2,200.¹⁴ We should give Government credit, however, for listening to these concerns. As part of the Autumn Budget 2025, it announced a £48 million

¹¹ www.nao.org.uk/press-releases/nao-identifies-need-for-improvements-to-developer-funding-system/

¹² Factsheet: Strategic planning, MHCLG, updated September 2025 www.gov.uk/government/publications/the-planning-and-infrastructure-bill/factsheet-strategic-planning?

¹³ Local authority planning capacity and skills survey: 2023 findings, MHCLG, January 2025 www.gov.uk/government/publications/local-authority-planning-capacity-and-skills-survey-2023-findings

¹⁴ *Planning on Empty*, HBF, January 2025 www.hbf.co.uk/research-insight/planning-on-empty/

funding package to recruit 350 additional planners in England. This includes expanding the Pathways to Planning Graduate Scheme and creating a new planning careers hub to retain and retrain mid-career professionals.

4.2 Prioritising landscape

Landscape, though integral to the quality of a place, is often a casualty of budget cuts, Ian Phillips, Chair of the Landscape Institute's Policy and Communications Committee and a Trustee on the Institute's board, told the Inquiry.

He remarked: "The space between and around buildings is as important as the buildings themselves. Intelligent and informed planning, design and management of the landscape has an essential role in creating sustainable places that are fit for life. Applying landscape techniques helps to deliver climate resilience, biodiversity, water and flood management, community cohesion and physical and mental health benefits. Good landscape means good places."

Phillips and others also reflected that good landscaping is even more important if factory built and modular housing becomes more widespread, bringing with it a potential threat to character. "I think this is where landscape can play a really important role in enabling new types of housing, which can be delivered efficiently and cost effectively, to be integrated into their surroundings and provide enjoyable settings and places," he said.

Phillips added that although the benefits of good landscaping are in the public interest, it is clear that developers often do not perceive landscaping as adding financial value to schemes and therefore view it as a non-essential that can be downgraded.

Ensuring good landscaping can be particularly problematic, Phillips pointed out this is because it is more subjective and it encompasses live organic materials and natural processes, and these relate to not only its design implementation but also its ongoing management. The question of how this would be funded is also an important issue.

The Inquiry agrees with the Landscape Institute that it should be stated at the outset how landscaped areas will be managed going forward. Commissioners noted this is already a requirement of the New Homes Quality Board, but as NHQB is not mandatory this isn't always achieved. Homebuyers should also be told the details of the specific management companies who will be managing the estates, so that they can understand how those companies have previously performed.

Phillips explained that there are precedents for homes developed in protected areas where management plans have been set up and enforced through legal powers for a period of time, or even in perpetuity, which could be used more widely for the management of green space.

Phillips pointed to arrangements for developments in the South Downs National Park, which include three significant towns among its settlements. Much attention is paid to putting policies and guidance in place to ensure housebuilding that takes place in the park is applying design quality standards that reflects its environment. "I see no reason why those standards could not be rolled out beyond national park boundaries."

4.3 Section 106 contributions

The Inquiry heard repeated concerns that Section 106 or Community Infrastructure Levy monies are being left unspent. Research by the HBF estimates that local authorities in England and Wales are sitting on over £8 billion of infrastructure payments made by developers, including over £6 billion from Section 106 agreements and almost £2 billion raised through the Community Infrastructure Levy (CIL).¹⁵ Sam Rees, Senior Public Affairs Manager at RICS, said that it is important that the public sees the flow of this money into their communities and he called for greater transparency in the way the monies were being spent.

Government should consider legislative options to require developers' contributions to be spent by local authorities according to their negotiated purpose and within their agreed time ("use it or lose it"), with unspent

monies returned to a community-fund for repurposing. There must be a transparent process established so that the public and developers know how the money has been spent, or if it hasn't been spent, why.

Heritage is a critical aspect of achieving the Government's 1.5 million homes target

Historic England told the Inquiry that repairing and repurposing existing historic buildings in England could provide up to 670,000 new homes – nearly half the Government's 1.5 million target.

The organisation said it would be possible to bring over 200,000 empty homes in England back into use, given

thousands of historic buildings are neglected or not used to their full potential. Textile mills in Yorkshire and Lancashire, for example, could be transformed into 42,000 new homes. Using vacant buildings, or those in poor condition, would also improve the look and feel of places and help people to discover and understand the extraordinary history of where they live and work.

Historic England says the restoration and upgrading of historic buildings could also make an important contribution to meeting climate change targets, as the construction of new housing will have a significant embodied carbon cost, whereas reuse of existing housing produces far less environmental impact.

Recommendations

To deliver quality of place

- Local authorities and Government need to consider how to give more weight to design guidance promoting high quality placemaking. This might include:
 - requiring applications for outline planning permission for all developments over 250 homes to either be supported by site-specific masterplans and design codes, complying with the national core design standards for greenfield sites, or be subject to conditions requiring these to be produced following the granting of outline permission and before the submission of detailed reserved matters.
 - making it a requirement of spatial development strategies that they should articulate a clear vision of what a project within an area should look like in the future. This includes identity and character, sustainability and resilience, connectivity and accessibility, with due regard to the end user's experience.
- making design review a requirement of the planning process for developments over 250 houses and for key strategically important sites and historical settings, as identified by the local authority.
- Government should consider legislative options to require developers' contributions such as Section 106 to be spent by local authorities according to their negotiated purpose and within their agreed time in a "use it or lose it" approach. Any unspent monies should be returned to a community fund for repurposing. There must be a transparent process established so that the public and developers know how the money has been spent, or if it hasn't been spent, why.
- Local authorities should appoint a chief planning officer at cabinet level to drive the professionalism and responsibility in decision making that's required to unlock planning delays and command the level of respect needed when negotiating and liaising with senior members.

How do we deliver quality of build?

Boosting skills, more rigorous onsite inspections and an uptake in offsite and modern methods of construction: these are three key areas that Government and Industry need to focus on to ensure that more homes are defect free and sustainable

5.1 Skills

A decline in houses currently being built has eased skills pressures, the Inquiry was told, and the industry currently has a workforce that enables it to meet current build rates. However, if the constraints the industry currently faces are removed such that output can increase to the levels needed to reach 1.5 million homes, that would stretch resources beyond their capacity. There is a strong consensus supported by industry data that an ageing workforce, foreign labour restrictions and a historical underinvestment in training would mean that the workforce needs to be significantly increased.

In its evidence the NHBC said workforce scarcity will also increase costs and affordability of new homes.

The Construction Industry Training Board (CITB) estimates that an extra 251,000 workers will be required to meet UK construction output between 2024 and 2028 (50,300 per year).¹⁶ That figure is even before Government's mandatory housing targets announcement in July 2024, which the Chartered Institute of Building (CIOB) told the Inquiry will push demand up significantly.

The problems with skills are already well documented and stem for a number of reasons, as the NHBC highlighted:

- Apprentice retention in the sector is low, with 47% of construction apprentices not completing their courses. Factors driving the low retention rate include unrealistic course environments and training, the length of courses and the on-going impact of Covid. The drop-out figure meant that according to a report in September 2024 by the British Association of Construction Heads (BACH) only 8,620 construction apprentices reached End Point Assessment (EPA) in 2022/23.¹⁷
- With build volumes low, there are not enough employers able to invest in apprenticeships.
- The apprenticeship system is complicated and many SMEs – a significant proportion of construction sector employers – do not

have the resource, knowledge, financial capacity and longevity of work to employ apprentices. And there is no funding available to incentivise or support increasing employment costs.

Only a quarter of those attending further education courses relating to construction end up getting a job in the industry, the Inquiry was told,¹⁸ because as Ashley Bateson Head of Sustainability at Hoare Lee put it, “the FE courses are not focused enough, so they’re not employable at the end of them.”

The HBF says the number of apprenticeships being supported by the current system is only a small portion of what is needed.

It estimates that to build 300,000 homes a year requires 40,000 new recruits¹⁹ across the broader housing sector, including 20,000 bricklayers, 20,000 groundworkers and 8,000 carpenters.

The industry has long been dogged by these issues, so members of the Inquiry were heartened to learn that greater efforts are currently being made to improve training for a career in construction, notably with the launch of a £600 million package in March this year aimed at training up to 60,000 skilled construction workers by 2029.²⁰ The investment includes funds for 10 new technical excellence colleges, expanding existing construction courses, launching new foundation apprenticeships and expanding skills bootcamps.

The Home Building Sector Skills Plan has been developed by the HBF, which says it provides a clear roadmap for tackling the industry's longstanding workforce challenges.²¹

The Inquiry was also particularly encouraged by an NHBC initiative setting up 12 new training hubs, part of the sector skills plan proposals, backed by its own £100 million investment.

The hubs are aiming to produce an additional 3,000 skilled and site-ready tradespeople each year. NHBC told the Inquiry that these hubs differ from previous skills initiatives because they immerse apprentices in real-site conditions from day one, thereby better preparing them for life on site.

¹⁶ www.citb.co.uk/about-citb/news-events-and-blogs/over-250-000-extra-construction-workers-required-by-2028-to-meet-demand/

¹⁷ Construction Apprenticeship Achievement rates crisis: Good practice solutions British Association of Construction Heads, September 2024 www.nocn.org.uk/news/new-research-tackles-construction-apprenticeship-completion-rate-crisis.asp

¹⁸ Learning to earning, CITB, December 2020 www.citb.co.uk/media/ongo2zsw/citb_fe_learners_summary.pdf

¹⁹ A Hard Hat to Fill, HBF, March 2025 www.hbf.co.uk/research-insight/a-hard-hat-to-fill/

²⁰ www.gov.uk/government/news/government-unleashes-next-generation-of-construction-workers-to-build-15m-homes

²¹ Home Building Sector Skills Plan, HBF, 2025 www.hbf.co.uk/research-insight/home-building-sector-skills-plan/

NHBC's accelerated approach also enables apprentices to complete their training in just 14 to 18 months, compared to the traditional 30 months.

The Inquiry learnt from numerous witnesses that apprenticeships and FE courses need to have a greater focus on practical skills. But industry, government, CITB and further education colleges must work in tandem to achieve that.

Government has also instigated reforms. In 2025, changes were announced to shift funding toward entry-level training for young people and away from masters-level apprenticeships for older adults. Other reforms include relaxing academic requirements and shortening training durations to address the sector's severe skills shortage and reduce the rate of drop-outs. In the 2025 Budget Chancellor Rachel Reeves has said she will be making training for under 25 apprenticeships free for SMEs. The money will come from £725 million allocated under its Growth and Skills Levy.

The Inquiry was further heartened to hear reports of a growing appetite amongst young people for a career in construction. A CIOB poll conducted earlier in the year of 2,000 people aged 16 to 24 and their parents (who were not in construction) found that just over two-thirds had a positive view of the construction industry, and one-third would be keen to pursue a career in construction. More than half of those surveyed said that if a GCSE in the built environment was offered to them, they would be keen to take it.

A GCSE in construction and the built environment is currently delivered in 45 schools across Northern Ireland. And in Wales, a GCSE in the built environment has been offered since 2021. The Inquiry saw this as a good way to introduce young people to the sector.

Training and job opportunities are, of course, symbiotically linked: those who have completed their training need jobs to go to. Yet unless industry has confidence in a pipeline of future work, firms are reluctant to take on extra trainees and apprentices. It is absolutely crucial that the Government can make good on its economic ambitions

and that green shoots of recovery start to come through.

The Inquiry strongly hopes that industry will play its part and work with Government to offer places under the 'youth guarantee' scheme, which offers guaranteed paid work to unemployed 18 to 21-year-olds in England, and is intended to reduce the number of young people aged 16 to 24 years not in education, employment or training (NEET). According to the Office of National Statistics that figure was estimated to be 946,000, almost 13 per cent of the 16 to 24-year-old population between July and September 2025.

Recommendations

To deliver quality of building by boosting education and skills

We recognise that quality on site and quality of product relies as much on culture as it does on performance metrics and standards. To embed a boost to skills and pride in work we want to see education and training for this critical endeavour continue to be placed high up on the Department for Education's agenda.

- Follow the lead taken by Wales and Northern Ireland and make available, in schools in England, the GCSE for the built environment (or construction and the built environment in NI) as a potential pathway to careers in the sector.
- Continue the reform of further education construction courses in collaboration with industry and the Construction Skills Mission Board to put a greater emphasis on the development of skills needed for the future of housebuilding, modern methods of construction (MMC) and digital skills, and ensure further education colleges are properly funded and resourced.
- Incentivise industry to commit to giving more young people a chance to try the sector by offering paid work placements across skills and professions under the Government's Youth Guarantee scheme.²²

²² www.gov.uk/government/news/new-youth-guarantee-for-eligible-young-people-and-funding-for-libraries-in-all-primary-schools

5.2 Modern methods of construction and building offsite

Advocates of MMC or offsite construction say that building in a factory, rather than on site, can improve efficiency, reduce waste, improve customer satisfaction, achieve better environmental performance and provide more predictability with timescales. If we don't harness design for manufacture and assembly and standardise approaches to design and construction of the 'shell of units' – not the façade aesthetics and configuration – then raising output to the levels needed will prove impossible.

MMC has the potential to improve productivity and consistency, but industry witnesses stressed that quality depends on a stable pipeline of demand and rigorous installation standards. Without both, MMC risks repeating the past errors — from fire safety lapses to poor finishing — that have damaged public trust. A long-term programme of skills and assurance is therefore essential.

MMC is a broad church in terms of definition, and can range from using factory-built components such as panelised or framed construction, which are then assembled in site, to full volumetric pod construction where structures complete with windows, plumbing and electrics are manufactured in factories and transported to site.

An NBS (National Building Specification) report, in collaboration with Glenigan,²³ details the continued growth of MMC in UK housebuilding. It found MMC usage increasing from 9% of new builds in 2017 to a high of 17% in late 2022, settling at 16% in 2023, but with further growth expected. Government has made efforts of drive uptake of MMC in recent years, including funding to local authorities to unlock public land, enable infrastructure development and encourage the use of MMC in subsequent housing delivery.

However, *Modern methods of construction – what's gone wrong?*,²⁴ a short inquiry by the House of Lords Built Environment Committee published in early 2024, concluded that the Government's strategy

was in disarray and lacked clarity. The House of Lords inquiry was established following the closure of several companies specialising in manufacturing volumetric structural systems (so-called category 1 MMC) during 2022 and 2023, including L&G Modular, TopHat, and House by Urban Splash.

The Lords' report said that the requirement to use MMC through the Affordable Homes Programme incentivised some housing associations to use MMC in their projects, but was not enough to provide strong pipelines for category 1 MMC businesses, given the high costs claimed for MMC. It was not advocating more financial support but rather suggested that Government should set out a clear, long-term plan for MMC, including research, standards, and targeted support rather than ad-hoc pilot schemes.

MMC is promoted as a way to deliver faster and greener housing, but high capital costs, lack of demand certainty and risk-averse finance markets create a classic chicken-and-egg problem: factories need volume to cut costs, but investors and lenders demand proven cost savings and long-term performance before providing that volume, said the House of Lords report.

Other well-documented challenges around factory-built offsite systems include issues with insurance and mortgages, and the fact that traditional contractors, consultants and site supervisors are often unfamiliar with MMC, creating integration risks and cost premiums.

Patrick Hayes from the Institution of Structural Engineers told the Inquiry that MMC can offer productivity gains. But he also flagged up the need for greater research into structural and fire safety performance of early iterations of volumetric construction.

This conclusion was also reached in Government-funded research by Harlow Consulting and Edinburgh Napier University.²⁵ It identified potential risks in volumetric modular construction and recommended developing common standards, amending building regulations, enhancing fire safety protocols and conducting further research into long-term structural integrity. The report, which was

²³ Continued growth for MMC and off-site construction, despite setbacks in modular housing, NBS and Glenigan, 2024 manufacturers.thenbs.com/resources/knowledge/continued-growth-for-mmc-and-off-site-construction-despite-setbacks-in-modular-housing

²⁴ Modern methods of construction – what's gone wrong?, House of Lords, 2024 [parliament.uk/publications/43073/documents/214242/default/?utm](https://committees.parliament.uk/publications/43073/documents/214242/default/?utm)

²⁵ Volumetric Modular Construction research, MHCLG, November 2024 www.gov.uk/government/publications/volumetric-modular-construction-research

finalised in 2022 and published in November 2024, highlighted specific risks including fire safety concerns due to a lack of standard testing methods, as well as the potential for rapid fire spread, inadequate research into long-term structural integrity and potential issues with on-site assembly.

Between the report being finalised and its publication, the Government commissioned the British Standards Institute (BSI) to draft a new technical standard setting technical recommendations when building homes, using a range of MMC categories and defining quality assurance and compliance processes for the industry.

What emerged was PAS 8700:2025, the first standard specifically designed to define the effective use of design for manufacture and assembly (DfMA) and MMC in residential building projects. It covers entire building systems and individual elements, and includes provisions for the industry on the consistent application of MMC throughout all project phases, from design and manufacturing to assembly, maintenance, adaptation and end-of-life considerations.

BSI published this new guidance for MMC for new build residential homes following changes to construction as a result of the 2022 Building Safety Act. The guidance acts as a coordinating document for technical requirements to support design and manufacture, and delivery and installation of MMC.

The guidance follows the RIBA Plan of Work stages 1-7, and covers design, risk, safety, management, construction, delivery, assembly, maintenance, repair and end of life.

Dirk Vennix, Buildoffsite Executive Director and Chief Executive of CIRIA, drew the Inquiry's attention to the standard and said the Government was also working on a new guide for a kit of parts.

He suggested that if Government wanted to remove barriers to growth, then housing should be treated like national infrastructure – and built with the same planning, investment and discipline as roads or rail projects. To achieve that, the sector needs a standardised, industrialised approach to

housebuilding, more like manufacturing than bespoke construction, and MMC would be the logical way to deliver that, he said.

Vennix also said housing procurement should be based on performance standards (such as energy efficiency, quality, durability, speed etc) rather than simply lowest capital cost. If contracts were awarded on that basis, he argued, offsite/build-offsite housing would appear more cost-effective because they are typically better able to meet and prove those performance requirements than traditional construction.

Buildoffsite's recent publication Using performance specifications for construction projects guidance provides a process for doing that.²⁶ It suggests that if completed homes had to be properly tested to ensure they meet the promised standards (eg, “zero-bills” homes with solar panels and heat pumps) the advantages offsite construction can bring would be more apparent and, taken in the round, costs would be more comparable with traditional construction methods.

Offsite homes have historically faced mortgage and insurance barriers because lenders worried about durability, quality control and resale value. Vennix said that The Buildoffsite Property Assurance Scheme (BOPAS) helped overcome concerns by independently verifying the design, manufacturing, and construction process and providing a 60-year durability guarantee. The NHBC has an equivalent scheme.

Buildoffsite says that most mainstream lenders and insurers now accept BOPAS-accredited systems (or equivalents such as NHBC Accepts), making finance and insurance easier to obtain.

However, challenges remain. In its submission, SME offsite developer GS8 says that it is seeing insurance costs that are two to three times higher to insure building works and policies for schemes that adopt timber construction, compared to insurance cover for traditional building methods.

Like other submissions the Inquiry received from specialist offsite companies, Buildoffsite wants to see the Government back offsite with direct capital grants or other financial

²⁶ www.buildoffsite.com/news/new-guidance-published-using-performance-specifications-for-offsite-construction-projects/

incentives for MMC-built homes and for projects that can prove strong performance. Many submissions also called for faster local authority pathway ‘planning passports’ for pre-approved systems to streamline approvals for high-performing MMC projects.

The Inquiry agreed with the assessment of the CIOB’s David Barnes, who said that the housing challenge “will require a mixture of traditional build and modular to deliver at the pace of change needed”.

The development of new towns and other larger scale/grey belt settlements, and greater public funding would certainly provide greater opportunities to deliver a pipeline that could give the through-put needed for factory investment. Clearly this would need to be controlled by strict standards and testing in place, and more research to ensure that a standardisation of the structure – or chassis as it were – provides the flexibility for different design treatments of the facades and layouts. The Inquiry was assured by witnesses that it could.

The Inquiry takes the view that thoroughly proven and tested offsite construction can play a bigger and critical role in the scale up of new home construction, in a way that is safe, sustainable and cost effective.

Recommendations

To boost quality of delivery through MMC

Government should:

- Encourage and support modern methods of construction with financial support through grants focused on opportunities that can provide assurance to the MMC sector, providing a steady pipeline of work.
- Introduce an MMC planning passport, whereby pre-accredited systems and typologies receive expedited planning consideration with focus of consideration at planning application stage limited to layout.
- Develop and introduce design code guidance/national standards for MMC and systemised facades.

Resources for SMEs to adopt MMC

Sustainable and innovative construction could be furthered by a solution developed by the University College of Estate Management (UCEM) in partnership with The King’s Foundation and Innovate UK support. Their Regional Building Hubs (RBH) model integrates environmentally sustainable practices with modern construction methods to deliver high-quality homes at scale.

The RBH model is being piloted as a platform – part physical, part digital – that brings together local builders, landowners, suppliers and communities to collaborate on housing development. A core function is to accelerate the adoption of innovative construction techniques among regional SME builders. UCEM says the hubs can coordinate supply chain brokering or arrangements for off-site manufacturing, making these methods more economically viable for smaller developers.

Through the RBH’s digital platform, SMEs can access pattern books and technical manuals that are tailored to local architectural identity and modern standards. These ‘housing manuals’ act as ready-to-go design guides or catalogues of pre-approved designs, streamlining the planning process and ensuring consistency in quality and sustainability.

By utilising pattern-book designs, builders can obtain faster approvals and start construction quickly while still customising homes to fit regional character. This approach not only speeds up delivery but also lowers professional costs, as smaller firms can draw on shared design and engineering resources curated by the hub.

5.3 Better oversight

Quality of homebuilding and redress for consumers has been a strong focus for the APPGEBE since its report *More homes, fewer complaints* was published in December 2016. The issues highlighted nine years ago, and particularly the poor deal some customers

were receiving from housebuilders and their lack of redress, were again very much in the Inquiry's sights this time round.

Since our first report on the subject of poor build quality, housebuilders have improved the service and quality they provide to customers. The national new homes customer satisfaction survey, operated by NHBC and reviewed and recognised as independent by Ipsos Mori, which is sent to the purchasers of all new homes, shows that quality has improved. The HBF, which awards star ratings to its members based on the results from the survey, says that in 2025 (data covers Oct 2023–Sep 2024) satisfaction reached 94%, the highest level in five years, marking the fifth year in a row of achieving a 90% or higher score.²⁷

These positive trends have, however, not won over all critics. Some suggest that the current approach may not fully capture long-term satisfaction or identify potential issues. Surveys are sent out eight weeks after completion, which many argue is too soon for significant defects to appear.

Several witnesses emphasised that consumer confidence in the quality and safety of new housing remains fragile. The lessons of Grenfell underscore the need for genuinely independent quality control, transparency in materials and accountability throughout the construction process.

To address these concerns, the HBF plans to incorporate responses from both the initial eight-week survey and a later nine-month survey into its star ratings, starting in 2026. This change aims to provide a more comprehensive and potentially more accurate reflection of new home quality and customer satisfaction over a longer period. (Only homes of HBF members are surveyed and building companies do not have to make their results public.) The New Homes Quality Board is also now showcasing individual builder scores from a number of questions from the eight-week survey on its web site, and will soon be doing the same for the nine-month survey. This is currently on a voluntary basis for company members but will become a requirement of its code in future.

The Inquiry is pleased to see these improvements, but is also cognisant that public perception of new homes is still generally unfavourable. This was evidenced in a December 2023 report published by the CIOB, *New-build housing – how regulation can improve the consumer journey*. In compiling the report, it commissioned a poll of 2,000 UK adults, asking their views of new-build housing in the UK.²⁸ It is an easy read-across to imagine this would impact badly on the numbers of people looking to buy a new-build home. Among key findings, the CIOB reported:

- Around half of respondents (55%) think that older properties are higher quality than new-build homes.
- 45% of respondents had either low or no level of trust that housebuilders would deliver new homes to a high standard, while 55% had a mid or high level of trust.
- Poor workmanship was the biggest concern for respondents when buying a new-build home, topping concerns over hidden costs in the purchasing process.

Other Inquiry witnesses added that oversight and inspection regimes needed to be tightened, mentioning building control processes, warranty provider inspections and oversight by the housebuilding companies themselves.

It was pointed out to the Inquiry that for building control and warranty inspections, the number of inspections carried out across a development is at the warranty providers' discretion. Given that building control services and warranty provision are procured by housebuilders on a competitive basis, it seems axiomatic that to remain competitive some providers do fewer checks than others, and may only 'sample' homes on sites. This supports one of the recommendations made in the APPGEBE's 2018 report²⁹ *Better redress for homebuyers* for a set of minimum warranty standards that includes a minimum number of inspections being carried out on a new home. We are aware Government is currently looking at warranty standards and are supportive of greater oversight in this key area.

²⁷ Continued growth for www.hbf.co.uk/news/css-reports/20th-survey-css-2025-completions-october-2023-september-2024/

²⁸ New-build housing – how regulation can improve the consumer journey, CIOB, December 2023 www.ciob.org/industry/research/newbuilds

“Some housebuilders will choose the cheapest inspectors. The cheapest could be an inspection of one in every five plots, certainly not every plot, and definitely not every plot at every stage,” Emma Toms, chief executive of the New Homes Quality Board (NHQB), told us.

The Inquiry learnt that there are already changes afoot which should strengthen oversight from building control to a certain degree. The inspection and oversight of housebuilders regime in England is changing as part of the reforms brought in by the Building Safety Act 2022 and subsequent regulations. These reforms are creating stricter accountability for the industry and a more rigorous, centralised building control system, overseen by the Building Safety Regulator. All building control inspectors, both from local authorities and private companies, must now be registered with the Building Safety Regulator. Inspectors must meet a common competence framework, which includes having the right skills, knowledge, experience and professional behaviours and following the same procedures. Housebuilders can still select on price but, in theory at least, inspectors should not be able to compete by cutting corners on inspections.

Government continues to review building control in the construction sector and in line with recommendations from the Grenfell Inquiry has appointed five members to the new Building Control Independent Panel to investigate whether further change is needed. To this end, the Inquiry would like to see a minimum number of inspections specified for each new home, rather than a new housing development being checked on a sample basis. This would apply for both building control and warranty provision – given that buyers have no say in their warranty provider.

As part of the new building control regime, there is also an increased accountability for builders. The new regulations place clear legal responsibilities on ‘dutyholders’, including clients (developers), principal designers and principal contractors for all building projects. Dutyholders can be held criminally responsible if their work does not comply with all building regulations.

Clearly then, there is now a more punitive system in place to ensure housebuilders meet building regulations. It is also in housebuilders’ financial interests to comply. The Get It Right First Time Initiative (GIRI) says the measurable cost of rectifying errors, such as rework and wasted materials, is estimated to be around 5% of a project’s value – higher than the average profit margin for many construction projects. The NHQB’s Emma Toms told the Inquiry that reducing the number of defects could save money by reducing the number of complaints and associated costs of handling them, which can amount to £1,174 of handling costs per case.

However, as it was pointed out to the Inquiry, building control inspectors only check for compliance with building regulations and many complaints and defects are more cosmetic rather than non-compliance.

The NHBC said it was working with a number of housebuilders to improve their quality assurance processes.

The Inquiry learnt that Patrick Hayes, Technical Director of the Institution of Structural Engineers (IStructE), is calling for mandatory independent checking and monitoring to be introduced as part of the Building Regulations. The aim is to address quality issues in the same way that this is required in infrastructure projects, with IStructE arguing that in other countries, inspection and monitoring is a requirement of complying with the Eurocodes that structures are built to. The Inquiry felt it might be fruitful for the Building Safety Regulator, which oversees building regulation development, to investigate the IStructE’s suggestion.

Recommendation

To boost quality of delivery through better oversight

Government should stipulate a minimum number of inspections of works when on site by building inspectors as part of its ongoing review into building control and set a minimum number of inspections to be undertaken by warranty providers.

²⁹ Better redress for homebuyers, All-Party Parliamentary Report for Excellence in the Built Environment, 2018 www.cic.org.uk/policy-and-public-affairs/appg-for-excellence-in-the-built-environment/new-homes-ombudsman-inquiry-call-for-evidence

SECTION SIX:

How do we deliver quality of experience?

6.1 The need for post-occupancy evaluation

There will be umpteen reasons why a purchaser might settle on buying one home or another. But how the home performs once they move in will contribute to their overall satisfaction and form their views on quality.

Performance itself can cover numerous attributes: is it free from defects and snags? Do the services work? Does it feel too hot or stuffy, or experience mould and condensation? And if there is a problem with any of these things how easy is it to get the housebuilder to fix them?

As we move towards the implementation of the Future Homes Standard (which means new homes will need to be zero carbon ready), homes will more routinely be fitted with technology that we may be unfamiliar with and which will be difficult for many people to operate. At the time of writing this report, the final requirements of the Future Homes Standard have yet to be announced but it is highly likely to include new homes fitted with heat pumps, mechanical ventilation heat recovery units and possibly PV panels, alongside all the more routine appliances that can already have their own complicated instructions.

Even with homes built to today's energy regulations (there is a widely acknowledged performance gap, where actual energy performance differs from designed energy performance. The consultation on the Future Home Standard (undertaken by the previous Government and retained by the present one³⁰) acknowledged this and pointed to the main causes. These are buildings not being built as they were designed, ie, poor build quality, substitution of materials, design deviations; fixed building services (eg, ventilation, heating systems) not installed and commissioned correctly; and occupants using buildings differently to what was assumed in the design stage (usage patterns, thermostat settings, behaviour).

Current simulation tools often use simplified, static assumptions about occupant behaviour, which is also major limitation. In response, solutions being proposed are mandatory air tightness testing for all new homes, the

introduction of the Home Energy Model (HEM) to replace SAP (standard assessment procedure), and increased on-site photographic evidence of build quality to demonstrate designed details are met in practice.

Richard Lankshear, Programmes Director at the Future Homes Hub, told the Inquiry how it is working to ensure the sector is able to deliver the Future Homes Standard at scale, and is bringing together over 80 organisations to inform its consultation. The organisation has also formed a Future Homes Standard implementation board, co-chaired by Industry and Government.

Lankshear asserted that sustainability and quality are inseparable: one cannot be delivered without the other. Among current initiatives is new guidance which sets realistic expectations about low-carbon homes, focusing on comfort and correct system use rather than over-promised bill savings.

It is vital, he said, that home buyers are able to easily understand how to use the new technologies embedded in future homes in order that they function optimally. Currently, when people move into a home they are often confused by the volume of information. Evidence suggests that better results come from follow-up engagement months after move-in.

The Future Homes Hub is developing a voluntary charter to embed such good practice. This needs to be coordinated with the requirements of the New Homes Quality Board's code that is specific on what information is required when, as well as the requirements of the Digital Markets, Competition and Consumers Act 2024 that places more requirements on the sellers of all products around information provision.

Certainly, the greater use of post-occupancy evaluation was a strong theme to emerge from a number of those who presented to the Inquiry, with NHBC for example, calling for the increase in its use.

Richard Smith, the NHBC's Head of Standards and Research, said: "Ensuring future homes perform as designed must be made a priority. And we should be measuring the performance of new homes in use, and measuring performance post-occupation."

³⁰ The Future Homes and Buildings Standards: 2023 consultation, updated 2025, MHCLG www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation

The RIBA echoed this sentiment, saying post-occupancy evaluation should be used to collect information on building and energy use, as well as user satisfaction. RIBA said that the lack of information about how well new buildings are performing is hindering improvements in new homes. Completion of post occupancy evaluation can drive up standards through “lessons learnt and fostering iterative design.”

The Inquiry agreed, and would urge post-occupancy evaluation becomes integral to the unified code for housebuilders as part of a ‘soft landings’ process for the consumer.

The soft landings process is a construction strategy that keeps the building’s design and construction team involved in a building’s operation after the handover stage. The goal is to ensure a smooth transition for occupants and building managers by fine-tuning systems, providing aftercare and narrowing the performance gap between design and actual use. It is used in many types of buildings and is being advocated by a number of organisations for use in residential buildings.

Government guidance and post occupancy evaluation

The newly released consultation *Design and Placemaking Planning Practice Guidance* recommends post occupancy evaluation which it points out, assesses completed developments against design intent and user experience. It should be planned from the outset and inform future projects and stewardship. To make effective use of post-occupancy evaluation it advises:

- Plan early, embedding any requirements for post -occupancy evaluation in compliance checklists, planning conditions or development briefs and ensuring it is scoped and budgeted from project inception
- Clearly define the scope of the evaluation and how it will cover building and neighbourhood performance, including energy, comfort, and social value

- Consider scheduling evaluations at 6–12 months post occupation, with follow up every three to five years
- Collect the right data, including for example energy, water, ventilation, temperature, air quality and resident feedback on aspects like satisfaction.

6.2 Customer redress for poor performance

Having previously championed better redress for consumers and the setting up of a New Homes Ombudsman, the Inquiry was disappointed to hear from Emma Toms, Chief Executive of the New Homes Quality Board, that only about half of new homes are delivered by developers registered with the New Homes Quality Board, which provides their customers with the protection of a more robust consumer code and access to the New Homes Ombudsman Service should that be required.

Toms said: “Our scheme is currently voluntary, but we have managed to get all except one of the major house builders signed up, plus about half of the medium house builders and about 100 of the small and micro businesses. In total 55% of all new homes built in Britain are covered by the New Homes Quality Code and protections that we offer.

“We continue to engage with the other developers who are not yet signed up and encourage them to register. They often say they support the principle but will only sign up when it becomes mandatory.”

Toms pointed out that the Government had confirmed its intention to have a statutory ombudsman with a single mandatory code and has made provision in the Building Safety Act to bring that into effect. It has made this clear in its response to the Competition and Markets Authority’s study into housebuilding.³¹

In its response, the Government agreed that the housebuilding market “is not delivering well for consumers” and acknowledged long-standing issues such as poor redress, weak protections and information asymmetries.

³¹ UK government response to the Competition and Markets Authority’s market study into housebuilding, October 2024. www.gov.uk/government/publications/uk-government-response-to-the-competition-and-markets-authority-market-study-into-housebuilding

Government has accepted CMA recommendations for a single mandatory consumer code and activating a statutory ombudsman under the Building Safety Act; The groundwork to put this in place is already underway, with a tender notice advertised some months ago.

However, with only 50–55% of new homes registered under the NHQB code it does leave a large protection gap. There is no guarantee that performance criteria are measurable, verified and disclosed to the buyer.

We are concerned at this situation as it leaves many buyers without redress. Contracts can still bury performance obligations, limit remedies or rely on unclear warranties.

We believe that introducing performance specifications will benefit consumers. They are also the right lever to mainstream MMC—provided measurable outcome tests, transparent disclosure and mandatory redress are bolted on. We believe that adding the clauses above, as well as making participation in the New Homes Quality Board and New Homes Ombudsman a condition of gaining a planning/procurement condition, will provide a coherent package that promotes MMC (because it could be more straightforward to meet these with factory-built elements) and assures consumers of redress.

Recommendations

To deliver quality of experience

- Government should mandate a soft landings approach and greater post-occupancy evaluation of energy performance so as to help understand and close the performance gap and ensure consumers get the best out of the systems in their home.
- Government can improve consumer protection by mandating participation in the single consumer code and registration with NHQB/New Homes Ombudsman.
- Developers must disclose performance test certificates to purchasers at completion. Until the statutory ombudsman goes live, authorities should require NHQB registration as a condition of planning.

Using performance specification

The CIRIA guide *Using performance specifications in construction projects* sets out a clear case for changing the way housebuilding projects are specified if the sector is to embrace modern methods of construction (MMC) and offsite manufacture. Traditionally, specifications describe the materials and methods to be used in painstaking detail. While this approach offers certainty, it also locks projects into familiar solutions and discourages manufacturers from offering alternative products or processes.

The guide argues that this prescriptive culture is a major barrier to MMC, where factory production, modular systems and new materials demand flexibility and the freedom to innovate.

Instead, the guide promotes the use of performance specifications—documents that state what a building or component must achieve rather than how it must be built. By shifting attention to outputs, designers and manufacturers can tailor solutions to their own production techniques and introduce new technologies without breaching the contract.

Concluding remarks

Concerns about the quality of the homes we will build in the coming years are real and pressing. Delivering more than 300,000 homes annually requires not only a skilled workforce but also a commitment to building properties that live up to the promises made on paper – that is, homes that are energy efficient in practice, and part of developments where green space is seen as a necessity rather than a luxury.

Government itself will invest nearly £4 billion a year in new affordable housing or £39 billion for the next 10 years. This is an unprecedented commitment, but the outcome must not be soulless estates or homes plagued by defects of the kind we have heard far too much about for so many years. This is a once-in-a-generation opportunity that cannot be squandered.

We have been conscious of this responsibility as leaving a legacy of quality has been the guiding focus of this Inquiry. Government has been clear in its intentions: planning guidance states that new homes and neighbourhoods should promote wellbeing and sustainability. Yet too often these aspirations are not being translated into reality. Safeguarding high standards needs firm resolve and new thinking.

In terms of increasing output, it's not surprising the target of delivering 1.5 million homes over the course of this Parliament appears unattainable, particularly when completions are already falling short. It does feel like a mountain to climb, and while this report can only touch on the many barriers raised with us – from electricity and water supplies to escalating costs and site viability and suppressed demand due to a lack of affordable mortgage lending – it is clear that progress depends on the Government driving forward the reforms already in train.

Unlocking the planning system, speeding up the deployment of funding for affordable and social housing and enabling councils to acquire land and build again will all be essential if the housebuilding industry is even to get close to this formidable target.

The private sector faces its own difficulties: viability is squeezed and demand

has weakened. Targeted support for first-time buyers may be needed to stimulate sales, though we are mindful of the risk of inflating prices, which has been the unintended consequence of past schemes.

The Building Safety Act will make homes safer and help rebuild public trust, but its introduction has also slowed development. The new Building Safety Regulator must therefore deliver on its promise to reduce the long delays that many compliant high-rise schemes are experiencing, so safe projects can progress without unnecessary hold-ups.

It not just confidence in safety that has taken a battering in recent years. Building quality more generally also suffered since coming out of the last housing slump. That is why we are pleased to hear that housebuilders have upped their quality thresholds and customer satisfaction levels are steadily improving.

But despite these quality improvements, buyers are still reporting unhappiness with the performance of their new home – and the subsequent response from their builder. This is not acceptable. All new homeowners are entitled to swift and fair redress. We therefore welcome the extension of the New Homes Ombudsman to cover all home buyers – a reform we have championed through two previous Inquiries. The Government must now set out a clear timetable for implementation.

Avoiding defects in the first place is as important as having redress when things go wrong. Better supervision and minimum inspection requirements from third parties would be a big step forward. We also believe post-occupancy evaluations must become routine. With environmental standards set to tighten, and builders already struggling to meet current benchmarks, a 'soft landings' approach – similar to that used in some schools and offices – is vital to help close the performance gap and support residents in using their homes effectively.

Meeting these ambitions will also mean changing the way we train and retain people. It is shocking that 50% of construction apprentices drop out before completion, with

just 8,620 qualifying in 2022/2023. Initiatives such as the NHBC's training hubs, which use block release and shorter qualification times, are encouraging, but the statistics demand a more fundamental rethink of apprenticeships if we are to build the workforce required.

Design, too, requires more attention. It must be treated as a necessity, not an aspiration. We welcome the announcement of three new towns, with upfront infrastructure and a commitment to creating healthy, attractive communities. But the high levels of design quality being promised here cannot be the sole preserve of showcase projects or enlightened developers. Standards must rise across the board, particularly as councils come under ever greater pressure to meet housing targets and don't have the skills or time to challenge developers. Government certainly aspires to a high quality of placemaking as its most recent consultations attest. It's now about delivery. Appointing a chief planner with a strong design background, and ring-fencing a proportion of Section 106 funding for green spaces, for example, are practical ways to ensure design quality is properly embedded.

The evidence is clear: where we live shapes our health and wellbeing, and good design is valued by home buyers. Poor quality, by contrast, drives complaints, undermines trust, and damages reputations.

This report aims to advance all aspects of housebuilding quality – and to set out practical solutions that will help deliver the homes we need, at the standard the public deserves. It is in everyone's long-term interest not only to aspire to do better, but to guarantee that we can.



Abbreviations

APPGEBE All-Party Parliamentary Group for Excellence in the Built Environment

BOPAS Buildoffsite Property Assurance Scheme

BSI British Standards Institute

CIOB Chartered Institute of Building

CITB Construction Industry Training Board

DESNZ Department for Energy Security and Net Zero

DfMA Design for manufacture and assembly

EPC Energy performance certificate

IStructE Institution of Structural Engineers

HBF Home Builders Federation

MMC Modern methods of construction

NPPF National Planning Policy Framework

NHBC National House Building Council

NHQB New Homes Quality Board

MHCLG Ministry of Housing Communities and Local Government

POE Post-occupancy evaluation

RIBA Royal Institute of British Architects

RICS Royal Institution of Chartered Surveyors

SAP Standard assessment procedure

SME Small and medium-sized enterprise

Organisations presenting oral evidence (over three sessions)

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Buildoffsite	New Homes Quality Board
Chartered Institute of Building	NHBC
Future Homes Hub	Royal Institute of British Architects
Hoare Lea	Royal Institution of Chartered Surveyors
Institution of Structural Engineers	Zedpods
Landscape Institute	

List of written submissions

Organisations	NHBC
Ash and Lacey	Passive House Trust
Buildoffsite	PCPT Architects
Building Research Establishment	Royal Institute of British Architects
Cemex	Social Life
Chartered Institute of Architectural Technologists	SLR Consulting
Chartered Institute of Building	SSS Compliance Services
Facit Homes	Structural Timber Association
Fairview New Homes	University College of Estate Management
Future Homes Hub	CEM (now University of the Built Environment)
GS8	Zed Pods
Historic England	
Hoare Lea	Individuals
Housing Festival/Offsite Alliance	Paul Bussey
Institution of Structural Engineers	Denson Mutarah
Landscape Institute	Four senior housing architects –
Mineral Products Association	Andrew Beharrell, Andy von Bradsky,
New Homes Quality Board	Ben Derbyshire, Matthew Goulcher



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