



FEDERATION OF
**MASTER
BUILDERS**

Growth from the ground up

The Builders' Manifesto 2024





Foreword

“Small builders are at the heart of their communities. Our members employ and train local people and use these skills to provide the highest quality of work. They deliver the new housing we so desperately need, through to the vital work of upgrading homes to be more energy efficient. This manifesto identifies the key goals to growing the UK from the ground up. This will only be achieved by the new government supporting small builders who are the backbone of our local economies.”

Chris Carr
FMB National President

Housing

There is a housing crisis in the UK. It is the result of an increasingly difficult planning environment, resulting in decades of low delivery levels of new homes. The planning system doesn't work for small builders which has created an abnormal market, reliant on a few developers to deliver the UK's housing needs.

Micro, small and medium sized house builders are delivering a fraction of the homes they delivered 30 years ago, which has created a lack of design diversity and increased community discontent owing to the rise in cookie cutter style housing.

Image courtesy of Stonewood Builders Ltd



The biggest barrier stopping our members delivering new homes is **the planning system**.

These problems must be reversed, as they are leaving a generation without their own homes. We must boost the levels of new homes from local builders, who build high quality housing that work for their communities.

There have been too many housing ministers and too much indecision. Housing deserves a separate government department to address the current crisis.

We must also empower our local authorities to help micro and small house builders through the planning system with dedicated resources and ensure that small sites are identified in local plans.



KEY ASKS:

- Create a new dedicated housing department with a Secretary of State for Housing.
- Introduce dedicated planning resources for small house builders in local authorities and set up developer forums.
- Unlock small sites by ensuring that provisions in the NPPF are being followed at local level.



Skills

There is a growing skills crisis in construction, with shortages across all key trades. The FMB's quarterly State of Trade Survey consistently reports that around a third of small, local builders are struggling to hire bricklayers, carpenters, and general labourers.

The Construction Industry Training Board (CITB) calculates that at least 225,000 additional construction workers will be needed by 2027 to meet demand. Unless we attract more people into the industry, from all different backgrounds, we aren't going to build the homes we need or retrofit existing homes to help the UK reach its net zero targets and reduce homeowners' energy bills.

Half of FMB members report that jobs are delayed because they are **struggling to hire skilled workers**.



The industry also lacks clear training pathways for prospective builders and in some specific areas of work, like retrofitting, there is little incentive to train in new green skills and a confusing landscape of standards to train towards.

A comprehensive UK skills strategy would help roadmap how the industry can plug skills gaps and what support will be available.

KEY ASKS:

- Produce a construction skills plan to set out a long term delivery schedule for vocational skills.
- Set clear competence standards for retrofitting work to help guide current and future training provision.
- To work with industry to create clear training pathways for prospective builders, which will help professionalise the sector.

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Energy efficiency

74% of small, local builders are in favour of retrofitting UK homes.

There needs to be long term commitment to upgrade the energy efficiency of UK homes. It's well known that the UK has the oldest housing stock in Europe and the urgency needed to make these homes warm and healthy has yet to be fully realised by government.

Short term policy initiatives and a lack of centralised leadership have held UK retrofitting back. Long term incentives have been devised by industry, with the Construction Leadership Council (CLC) delivering the National Retrofit Strategy (NRS) and endorsing the creation of the industry-led National Retrofit Hub to coordinate activities. However, centralised national leadership is needed that only government can offer.

The Government should create a long term policy framework which will meet its carbon targets and trigger wider confidence to unlock private investment from property owners and financial institutions. There also needs to be a programme of upskilling and training for around 500,000 new professionals and trades to tackle this challenge.

KEY ASKS:

- Introduce a long term strategy mapping out the steps required to retrofit the UK's existing homes.
- Develop industry and consumer incentives to kick start a thriving retrofit construction sector.

Standards

Anyone can call themselves a builder, with no minimum competence level to underpin the job. It is an unregulated sector and there has been a clear market failure to solve the issue, despite our best efforts. Builders are the last in the chain of regulated practices but are the most exposed sector to bad practice. The sector needs to be professionalised, to drive up standards and make the industry safer for both builders and consumers.



86% of members back the Government introducing a licensing scheme.



A consumer can only seek out excessively difficult legal routes. Rules need to be in place to deliver the right outcomes when consumers are wronged.

A licensing scheme would utilise pre-existing infrastructure of associations that require quality as a remit of membership. It would also limit additional burdens for the builders and complexity for consumers by reducing the need for multiple accreditations.

KEY ASK:

- To work with industry to introduce a licensing scheme for building firms and sole traders operating in the repair, maintenance and improvement (RMI) sector.

As it stands there is no jeopardy in the current system, a builder can produce dangerous or shoddy work and there is no easy method of penalising them or seeking compensation.

Business resilience

With a turbulent economy and homeowners cutting back on spending, small construction businesses are facing tough times ahead. There are many hurdles to overcome and potential barriers to delivering the vital services our members carry out.

A temporary five year cut in VAT would generate an economic stimulus of **£51 billion**, and unlock **345,000 jobs**, in construction and the wider economy.



The FMB is here to support members navigate issues and grow their business. But to do this there needs to be support in place to help such as reducing VAT payments on repair, maintenance and improvement (RMI) work. This will boost the sector and create new jobs.



While measures to protect the environment present many opportunities for builders, they may cause short term problems. An example of this is the introduction of low emission zones in UK cities, where there may be a charge to drive older vehicles. We believe if such measures are in place the government, be that at local or national level, should introduce scrappage schemes to help owners replace their vans with vehicles that are better for the environment.

KEY ASKS:

- Introduce a national scrappage scheme to coincide with the rise of vehicle emission zones.
- Reduce VAT on RMI work to boost small builders and encourage consumers to improve their homes by making them more energy efficient.



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Founded in 1941, the Federation of Master Builders (FMB) is the largest trade association in the UK construction industry representing the interests of micro, small and medium-sized building companies. The FMB is independent and non-profit making, lobbying for members' interests at both national and local level. The FMB is a source of knowledge, professional advice, and support for its members, providing a range of modern and relevant business building services to help them succeed.

Please visit fmb.org.uk