

# We need a Budget for Builders

This year's Budget comes after a difficult year for small to medium-sized (SME) construction firms. While 2020 was not without its challenges, UK builders have proved themselves to be resilient and adaptable. Builders stand ready to support the UK's economic recovery and to build back better and greener, but they need greater support to do so.



The Government must bring forward four key measures:

## 1 Scrap reverse charge VAT to avoid harming construction SMEs

Due to come into force on 1 March, this policy will reduce cashflow by 17% for small builders working in the construction supply chain. With FMB research showing that workloads are decreasing, this policy risks making things even more difficult for Britain's builders.

## 2 Cut VAT on home improvement works to 5%

Cutting VAT would give households the boost they need to get building work done and upgrade their homes. Used in combination with the Green Homes Grant scheme, this would also help reduce carbon emissions from the nation's homes.

## 3 Extend the Stamp Duty holiday for 3 months

Extending the Stamp Duty holiday would help avoid sales falling through and consumers missing out on their dream homes because of ongoing supply chain pressures for SME house builders.

## 4 Adopt a National Retrofit Strategy

Ahead of the United Nations Climate Change Conference in Glasgow this year, the UK must become a global leader in the low carbon economy. An ambitious, long-term programme of domestic energy efficiency upgrades will deliver meaningful carbon savings, while supporting new jobs.

**Local builders sit at the heart of this Government's vision for unleashing Britain's potential, but they need greater support to fully recover from the impact of the coronavirus pandemic.**