

**Key
messages
and statistics
HOME BUILDING**

February 2025

This resource has been created to support HBF members in their external affairs and engagement. It provides an overview of industry key messages and the latest statistics.

Contents

Economic and social contribution of the home building industry	3
Housing supply	ERROR! BOOKMARK NOT DEFINED.
Planning permissions	5
Affordable Housing and uncontracted Section 106 units	6
First-time buyers	7
Nutrient neutrality.....	8
SMEs	9
Workforce and skills	10
Energy efficiency of new build properties	11
Build quality and customer satisfaction	12
Property transactions and house prices	13

If you need any more information on any of these topics or HBF’s key messages, please contact Laurence Thompson, Policy and Campaigns Officer, at laurence.thompson@hbf.co.uk.

Economic and social contribution of the home building industry

Key messages

- The home building industry is a massive driver of the UK economy and makes a huge contribution to communities across the country.
- Home builders provide significant investment to support local infrastructure, including building and developing schools, GP surgeries, and transport links that benefit new and existing residents.

Key figures

In 2023/24, HBF/Lichfields figures show that the homes built by the industry in England and Wales:

- Supported around **800,000 jobs**, and generated over **£50 billion of economic activity**
- Generated **£6 billion in tax** and **£455 million** in council tax
- Led to investments of **£200 million** in open spaces and leisure facilities, and over **£630 million** in new and improved schools
- Enabled a **£15.6 billion spend on industry suppliers**

Further resources on this topic

- HBF's [Housing Calculator](#), which allows you to easily calculate the benefits that building new homes will bring to your community.
- HBF and Lichfield's [Economic Footprint of House Building in England and Wales report](#), which provides an in-depth analysis of the contribution of house building to the economy.

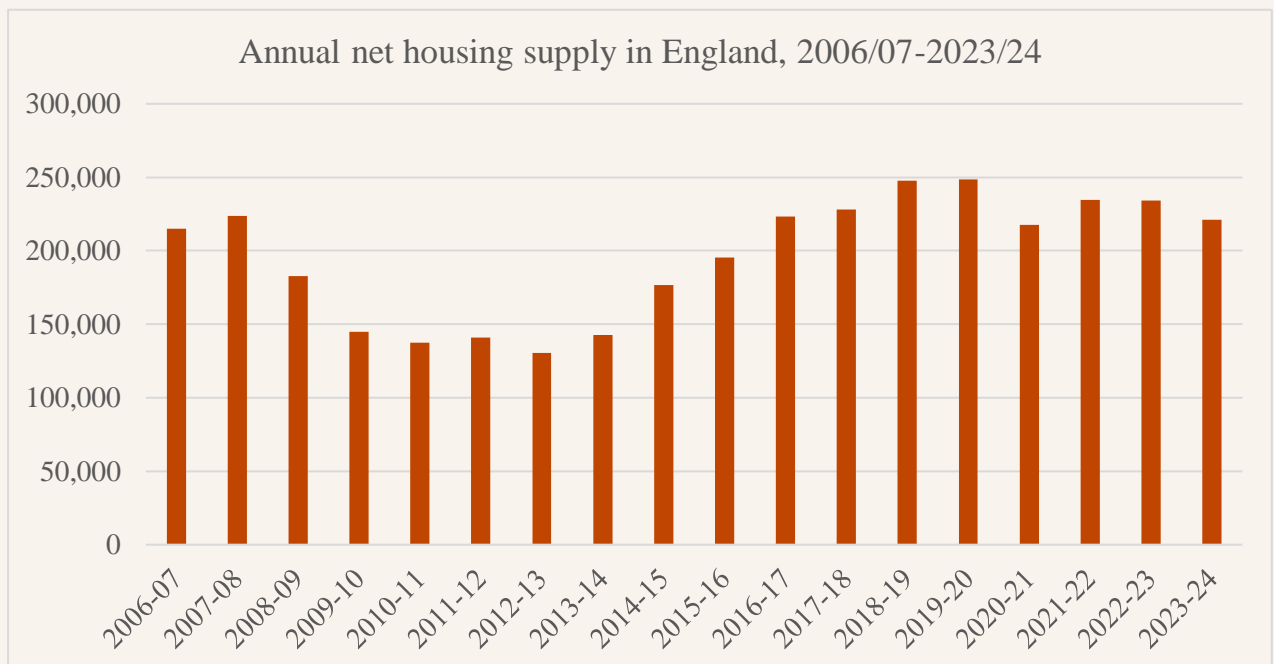
Housing supply

Key messages

- While the industry has made considerable progress with housing additions over the past decade, the industry faces several barriers to delivery which are causing output to decline.
- These barriers include delays in the planning process, a lack of bids for Section 106 units from Registered Providers, and a lack of support for first time buyers.

Key figures

- In 2023-24, there were 221,000 net additional dwellings in 2023-24 - down 6% on 2022-23.
- These additional dwellings included around 199,000 new build completions, down 7% on the year before and 9% below the 2019-20 peak.
- Around 1.2 million new homes have been delivered by the industry in the past five years.



Source: [MHCLG, Net additional dwellings: 2023 to 2024.](#)

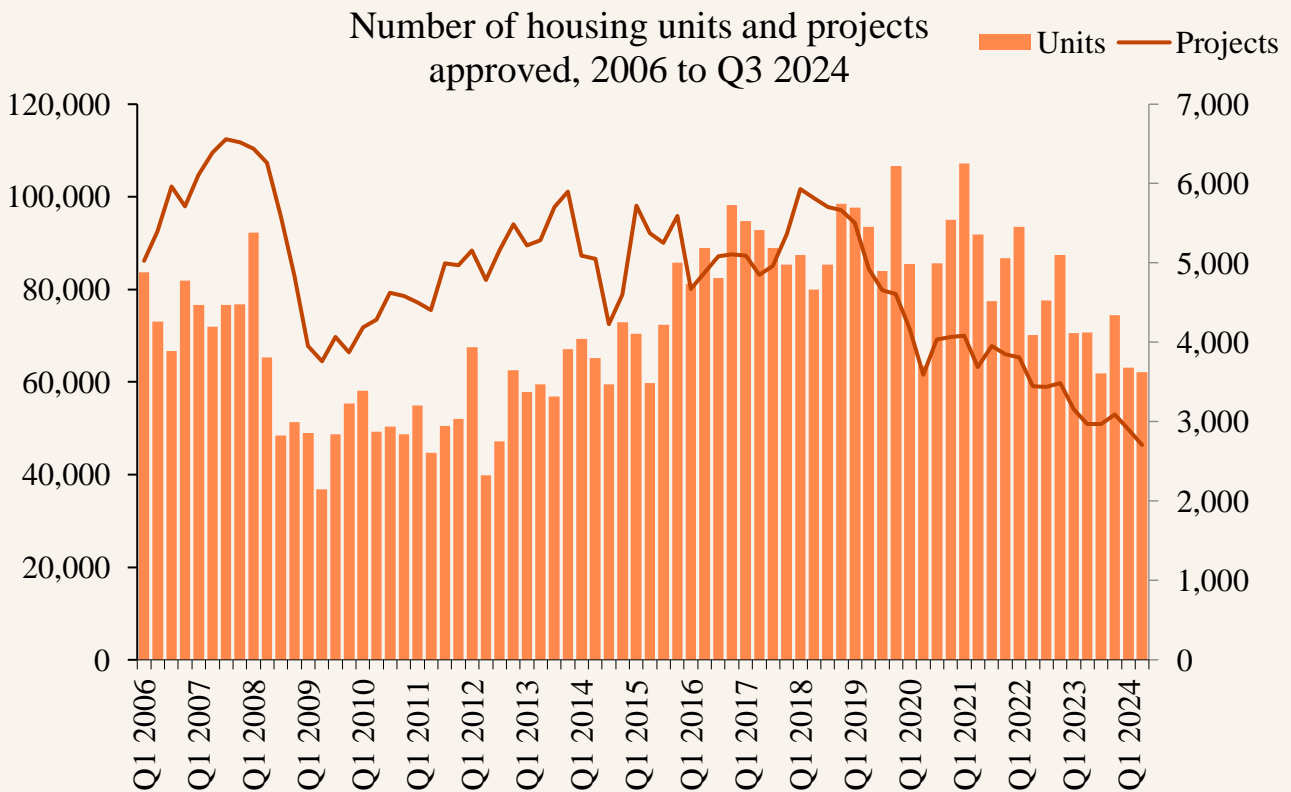
Planning permissions

Key messages

- ▶ Planning permissions, a strong indicator of future housing supply, remain on a downward trend and are significantly below the levels seen during periods of peak housing supply.
- ▶ Meeting the Government's target of 1.5 million homes during this Parliament will require targeted intervention to address the decline in planning approvals, including by addressing staffing shortages in Local Planning Authorities.

Key figures

- The number of housing projects granted planning permission in the third quarter of 2024 dropped by 10% from the second quarter.
- The number of units approved in the last 12 months still needs to increase by over 150% to meet the Government's 370,000 annual housing target.



Source: [HBF, Housing Pipeline](#).

Affordable Housing and uncontracted Section 106 units

Key messages

- The home building industry is a major player in the delivery of Affordable Housing, delivering around half of all new Affordable Homes.
- However, home builders are increasingly finding it difficult to fulfil their Affordable Housing Section 106 requirements due to a lack of bids from Registered Providers (RPs), which is also slowing down housing delivery more generally.
- This has arisen as a result of a perfect storm of rising costs for RPs due to quality and safety concerns, increased borrowing costs, and uncertainty around rent setting.
- HBF is calling for the greater use of cascade agreements and for grant funding to be available for use on Section 106 units for a time limited period.

Key figures

- The private sector delivers around 44% of all new Affordable Housing in England, up from 4% 20 years ago.
- The industry contributed around £10.8 billion worth of affordable housing provision last year.
- At least 17,000 Section 106 Affordable Housing units with detailed planning permission remain uncontracted by RPs.

Further resources on this topic

- HBF's [Bid Farewell report](#), outlining the issues with uncontracted Section 106 units and potential solutions.

First-time buyers

Key messages

- The closure of the Help to Buy scheme marks the first time in 25 years that there hasn't been a government scheme in place to help FTBs on to the property ladder.
- The scheme was a key driver in getting first time buyers on to the property ladder. It also increased the supply of new build homes and delivered returns for the taxpayer.
- HBF is calling for a new targeted homeownership scheme to boost first-time buyer deposits and give them access to new build mortgages at competitive rates during this period of high interest rates.

Key figures

- The average first-time buyer would have to save half of their earnings for almost a decade to afford a deposit.
- The Help to Buy Equity Loan scheme supported almost 400,000 buyers into home ownership during its lifetime.
- Help to Buy has delivered an uplift on investment of over £700 million to the Exchequer.

Further resources on this topic

- HBF's [Broken Ladder report](#), which analyses the affordability of homeownership in England, laying bare the challenge facing first-time buyers and calling for government intervention to support more people on to the property ladder.
- HBF's [Road to Redemption](#) report, which analyses Exchequer returns from the Help to Buy scheme.
- [MHCLG, Help to Buy: Equity Loan Scheme Figures](#).

Nutrient neutrality

Key messages

- ▶ Natural England's nutrient neutrality mitigation measures are having increasingly grave consequences for those in housing need, and threatens jobs in the home building industry and its supply chain.
- ▶ Occupants of new homes contribute very little to nutrient pollution when compared to agricultural activity.
- ▶ Water neutrality advice and Recreational Impact Zones are also holding up thousands of homes a year.

Key figures

- 160,000 homes are held up due to Natural England's nutrient neutrality advice.
- Occupants of new homes contribute less than 1 per cent to nutrient emissions flowing into waterways via the sewerage system each year.
- The agricultural sector is responsible for around 70 per cent of nitrogen pollution entering waterways.

Further resources on this topic

- [HBF's Nutrient Neutrality webpage.](#)
- [Brookbanks' Nutrient Neutrality report](#), produced for HBF, which illustrates the minimal contribution made by residents of new homes towards nutrient levels in rivers.

SMEs

Key messages

- Despite unprecedented growth in housing supply over the past decade, the number of small and medium-sized enterprises in the home building industry has continued to decline.
- This is due to a combination of factors including an increasingly costly and burdensome planning process, skills shortages, and the cumulative impact of new taxes, regulation and policies.
- SME home builders are critical for ensuring a diverse and thriving housing market, maintaining and developing a pipeline of skilled workers, and forging lasting links with local communities.

Key figures

- 94% of SMEs say that delays in securing planning permission and the discharging of conditions are a significant barrier to growth.
- 80% of SMEs identified obtaining suitable offers for Section 106 Affordable Homes to be a barrier to growth.
- 94% of SME home builders would like the Government to do more to support them.

Further resources on this topic

- For more on the challenges facing SMEs, read [HBF's State of Play report](#). The report – now in its fifth year - details the findings of one of the most comprehensive surveys of Small and Medium Enterprise (SME) housebuilders, conducted by the Home Builders Federation (HBF), Close Brothers Property Finance and Travis Perkins.

Workforce and skills

Key messages

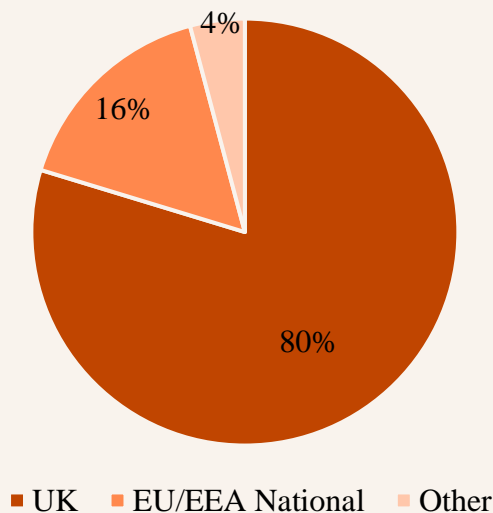
- ▶ The industry is facing a skills shortage. In order to ramp up housing supply and deliver the green of homes of the future, it is vital that the workforce expands.
- ▶ Although HBF and its members have worked to try and improve recruitment and retention within the domestic workforce, the role of the overseas workforce remains important, and this role has not slipped in the years since Brexit.

Key figures

For every 10,000 new homes to be delivered, the home building industry needs approximately 30,000 new recruits, including:

- 2,500 Bricklayers
- 300 Plumbers
- 400 Plasterers / Dry liners
- 1,000 Carpenters
- 2,500 Groundworkers / Plant operatives

Nationality of homebuilding workforce



Further resources on this topic

- HBF's [Home Building Skills Partnership webpage](#).
- HBF's [2023 Workforce Census](#).

Energy efficiency of new build properties

Key messages

- The home building industry is adapting at pace to support the country's net zero targets and deliver increasingly energy and thermal efficient homes.
- New build homes are more energy efficient than existing dwellings, and can save buyers on energy bills.

Key figures

- New build homes emit 65% less carbon a year than existing properties
- 86% of new builds have an A or B EPC rating
- The average new build energy bill could be more than £130 a month cheaper than existing properties - a 65% saving

Further resources on this topic

- [HBF's Watt a Save webpage](#), which examines the potential cost savings and energy efficiency of new build homes in line with quarterly government EPC data and changes to national energy costs.
- MHCLG, [Energy Performance of Buildings Certificates Statistics](#).

Build quality and customer satisfaction

Key messages

- Delivering high levels of customer satisfaction is an absolute priority for home builders.
- Home builders have delivered significantly improved customer satisfaction, the results of the industry annual customer satisfaction survey shows.
- The industry is committed to working with all parties to deliver even better build quality and customer service and improved consumer redress for new home buyers.

Key figures

- 90% of new build home buyers would 'recommend their builder to a friend'
- This is the fourth successive year that the industry has upheld a score of 90% or above
- 87% of new homebuyers were happy with the quality of their new homes

Further resources on this topic

- [National New Homes Customer Satisfaction Survey webpage](#) on the HBF website.
- New Homes Quality Board (NHQB) [Register of Developers](#).

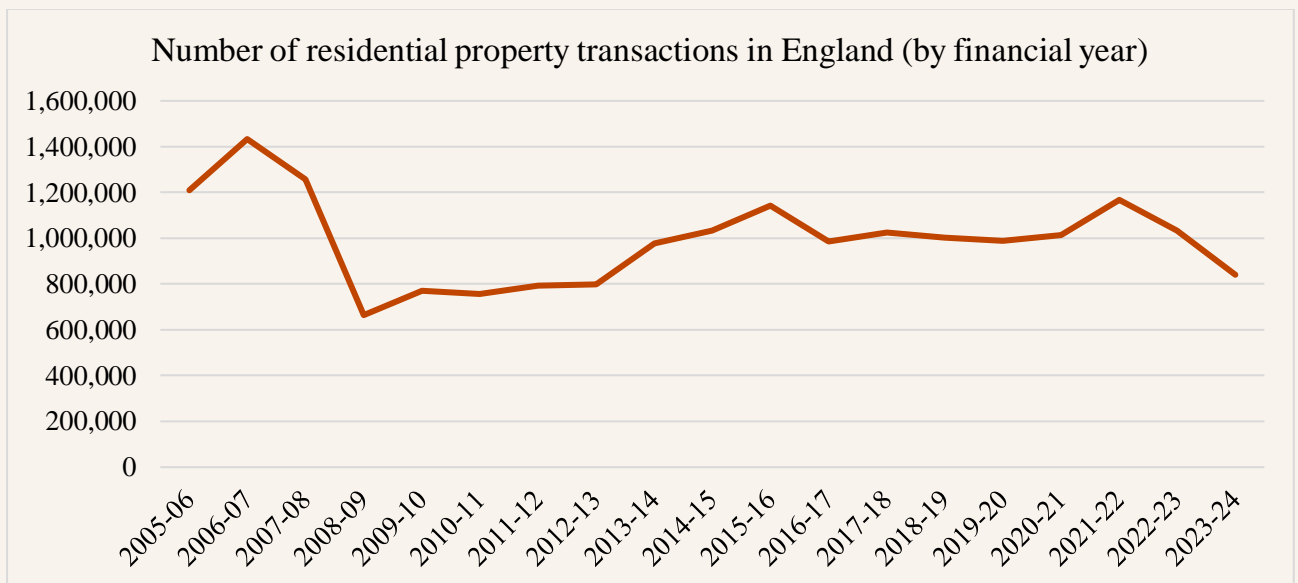
Property transactions and house prices

Key messages

- Residential property transactions have suffered over the past two years due to a decline in market conditions and limited mortgage availability.
- Despite claims to the contrary, new build prices remain in line with the wider housing market.

Key figures

- The total number of residential property transactions in England declined by 18% between the 2022/23 and 2023/24 financial years – from around 1,000,000 to 840,000.
- The provisional estimate of the number of UK residential transactions in December 2024 is around 98,000 - 15% higher than December 2023.
- The annual price change for a property in the UK in the year to November 2024 was 3.3%.



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Source: GOV.UK, [UK House Price Index](#) and [Monthly Property Transactions](#).