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11.5.16 .

Dear Roy,

HOUSING AND PLANNING BILL - HOUSE OF LORDS AMENDMENT 108, CARBON COMPLIANCE STANDARD FOR NEW HOMES

During last Wednesday's debate on Motion K on House of Lords amendment 108 on a carbon compliance standard for new homes, my colleague, the Viscount Younger of Leckie, said we would write to you about home building organisations who have said they do not support the measures proposed in the amendment

The two main bodies that represent home building industry – the Home Builders Federation and the Federation of Master Builders – have both recently written to express their concern about the carbon compliance amendment.

We mentioned the views of the Federation of Master Builders in the debate and these should be taken very seriously as the Federation represents thousands of firms in the UK construction industry. The vast majority of its members are micro-firms, employing fewer than ten people, and these companies are particularly limited in terms of the time they can give to lobbying national and local government regarding the key issues impacting on their businesses. That is why small construction firms rely on the Federation of Master Builders to engage with the Government on their behalf – they expect it to put forward their views, which the Federation test regularly via online policy surveys and face-to-face meetings and focus groups.

The Home Builders Federation (HBF) wrote to the peers immediately before the debate last Wednesday and we did not have the opportunity to convey its views about the amendment at the time. In its letter the HBF warns:

“Changing regulatory requirements again would introduce unwelcome uncertainty and complexity for house builders which would ultimately affect small developers disproportionately. This business risk stems in part from the fact that there would be a good deal of practical, technical work to do in order to introduce the carbon compliance standards...”

...There are also additional costs entailed in the carbon compliance standard too and this would affect the viability of at least some new developments or reduce their ability to make planning contributions such as for affordable housing. Again this is a risk to the need to increase housing supply, particularly in areas of marginal viability."

The Home Builders Federation and the Federation of Master Builders are the two key trade organisations for the industry with many thousands of members of all sizes across the UK. They both provide a voice to their members who otherwise may not have the time or ability to engage with those making changes that affect them and the industry at a national or local level.

I am copying this letter to Viscount Younger of Leckie, Baroness Parminter and Lord Krebs. I will also arrange for a copy to be placed in the House library.

A handwritten signature in cursive script, appearing to read "Susan".

BARONESS WILLIAMS OF TRAFFORD