

Press release: Analysis from independent review into building homes published

A review of house building has called for changes to the current system to ensure new homes are built faster and for thousands more British bricklayers to be trained to help meet government targets.

Sir Oliver Letwin was commissioned by the government to examine what could be done to speed up the slow rate of house building on major sites.

His [study](#), published today (25 June 2018), warns developers are slowing the system down by limiting the number of new built homes that are released for sale at any one time.

The practice is designed to prevent a glut of new built homes driving down prices in the local market and is known as the 'absorption rate'.

However the report suggests that developers could increase the choice of design, size and tenure of new homes without impacting on the local market and therefore speed up the rate at which houses are built and sold.

The report concludes that "...to obtain more rapid building out of the largest sites we need more variety within those sites".

The analysis also suggests a shortage of British bricklayers will have a "significant biting constraint" on government plans to boost the number of new homes built from 220,000 a year to 300,000.

To meet the shortfall the analysis calls for 15,000 more bricklayers, almost a quarter of the size of the current workforce, to be trained over the next 5 years.

It suggests that to "raise production of new homes from about 220,000 to about 300,000... the government and major house builders work together ... on a 5 year 'flash' programme of pure on the job training."

Rt. Hon. Sir Oliver Letwin MP said:

I would like to thank everyone who has contributed to the Review Panel's work to date in analysing all possible reasons behind the slow build out of housing sites. It is clear that the main cause for delay is the absorption rate. We found that if house builders were to offer more variety of homes and in more distinct settings then overall build out rates could be substantially accelerated.

Secretary of State for Communities, Rt. Hon. James Brokenshire MP, said:

We want to help people onto the housing ladder, and so I would like to thank Sir Oliver and the expert panel for their excellent work. I was particularly interested to see that increasing the choice of design, size and tenure of new homes in helping to speed up build out rates and help deliver the homes we need and communities want. I look forward to receiving the final report in the autumn.

Sir Oliver and the panel visited 15 large sites – of between 1,000 and 15,000 homes – in areas of high demand in London, the South East, West Midlands and the North West.

The government commissioned this Independent Review as part of its comprehensive plans to deliver a housing market fit for the future and build the homes that communities need.

Sir Oliver Letwin and his panel will submit final recommendations on improving build out rates in the autumn.

See the [draft analysis](#), published today.