RICS UK MANIFESTO



Empowering a sustainable future

From streets, to structures, to skyscrapers: Surveying our future priorities for the next government



Foreword

Our built and natural environment is facing multiple large-scale challenges; from climate change to a housing crisis and communities that need reimaging post-pandemic. This challenging situation is further compounded by a skills crisis and a shortage of qualified professionals.

With a general election on the horizon, there is renewed opportunity to highlight the need for collaboration in the built and natural environment sector to deliver necessary community infrastructure that is sustainable, resilient and inclusive for all.

RICS is uniquely placed to have a positive impact in these areas, with its public interest remit, experienced qualified members and talented young professionals working across the built environment life cycle. We work to promote the usefulness of the profession for the public advantage, setting and enforcing practice standards for the sustainable development and management of land, real estate, construction and infrastructure.

Our work provides a foundation for confident markets, pioneers better places to live and work, and is a force for positive social impact.

This manifesto sets out a roadmap of ten actions to support the delivery of economic, social and environmental value, ensuring that sustainability and placemaking is at the heart of the next government agenda.

Our roadmap is presented in three parts, setting out recommendations for housing, community infrastructure and skills – and it is the skills agenda that will be critical to sustainable innovation.

We must take a multifaceted approach to address the skills crisis and ensure greater diversity, equity and inclusion. We have an urgent need to address the green skills shortage, as professionals with expertise in environmental sustainability, renewable energy and green technologies will be increasingly in demand. Similarly, growth in the digital economy will naturally stimulate demand for skilled professionals, unlocking jobs and enabling greater diversity by including those not traditionally represented in the industry.

We hope that this manifesto sets out an inspiring roadmap for the future. We would like to thank all stakeholders and members of the profession who engaged with us to set out these policy recommendations and look forward to further engagement on workable solutions that will ensure the future sustainability of our built and natural environment.

Simon Prichard FRICS RICS UK&I Board Chair

Justin Young RICS CEO

Executive summary

Developed with our members, this manifesto offers a comprehensive strategy to tackle the myriad challenges facing the built and natural environment in the UK. It centres on the creation of safe, sustainable and affordable communities while unlocking economic growth and sustainable innovation.

Our key recommendations to policymakers include:

- Housing delivery strategy: Our plan proposes a comprehensive and ambitious housing delivery strategy that focuses on local needs, skills and the creation of new homes through building and conversions.
- **Healthy homes:** We propose embedding safety, quality and sustainability standards in property conversions.
- **Placemaking:** We encourage the revitalisation of high streets through investment in community infrastructure and the repurposing of commercial property into homes where suitable.
- Unlocking growth: We support reform of the Community Infrastructure Levy (CIL) system and Section 106 agreements to combine the best of both systems, and incentives for brownfield site remediation to encourage regeneration of existing sites rather than simply building new.
- **Prioritising investment:** We believe a stable policy and regulatory environment is crucial to attracting inward investment.
- **National ambition:** Our plan suggests developing a national property strategy to attract foreign investment and expand funding for brownfield development.
- **Sustainability:** We recommend the implementation of progressive energy efficiency targets, building passports and holistic retrofit programmes for our built environment, recognising not just the environmental benefits, but economic and social well-being too.
- **Building safety:** We propose prioritising consistent building safety standards across the UK and resourcing building safety functions to ensure effective delivery.
- **Social value:** We support modernising the Landlord and Tenant Act to encourage mediation, reforming the Business Rate system, retrofitting public buildings and reviewing Green Belt to allow for greater housing.
- **Future focus:** We believe that commitment to sustainable transport, digital connectivity, and land stewardship in climate change mitigation are critical areas for policy development.

The plan provides a roadmap to create a sustainable, inclusive, and prosperous future for the UK. It also addresses challenges faced in the construction and real estate sectors, promotes sustainable development, and provides solutions to the skills shortage. RICS members, acting in the public interest, are ready to work in partnership with government to realise this ambitious agenda.

10 actions for **empowering** a sustainable future



Part I Creating homes fit for the future

- 1 Creating safe, sustainable and affordable homes for all
- 2 Developing low carbon, energy efficient homes
- 3 Safer buildings



Part II Placemaking and regeneration to deliver growth

- 4 Unlocking capital investment to enable growth
- 5 Delivering social value from our land and community infrastructure
- 6 Optimising sustainable property performance
- 7 Reforming construction and infrastructure procurement
- 8 Modernising construction project delivery
- 9 Embracing sustainable construction principles



Part III Future skills for a sustainable built environment future

10 Closing the skills gap and fostering an inclusive workforce

Part I Creating homes fit for the future



The UK is undoubtedly facing a housing crisis. The creation of safe, sustainable and affordable housing plays an essential part in the UK's economic, social and environmental well-being. Housing should provide a home; somewhere we are comfortable and happy living in that is suitable for our needs.

Housing as a sector relies on stability but also ambition in addressing its challenges. However, the last few years have been anything but stable with a global pandemic, energy crisis and a cost-of-living challenge. We have seen a boom in demand for homes both to rent and buy, but supply dwindle, prices and rents increase and a lack of joined up strategy.

It is our recommendation that government works with our industry to take the following actions.

1. Create safe, sustainable and affordable homes for all

Hit housing targets with a housing delivery strategy

Develop a strategy to deliver on the government's housing targets across tenures – mandating local plan requirements setting out housing targets across tenures and a five-year land supply.

Review skills shortages to tackle targets

Action feedback by regularly reviewing the Shortage Occupation List to ensure employers can attract overseas workers where an acute shortage of skills exists. The <u>RICS UK Construction Monitor</u> shows difficulties recruiting domestic and international talent.

Deliver healthy homes, ensuring good quality housing for all Embed safety, quality and sustainability standards, including the <u>Healthy Homes Principles</u>, into property conversions, especially where permitted development rights are applied to reduce the risk of subpar housing.

Increase housing supply and revitalise communities through change of use

Review options to incentivise the repurposing of commercial real estate into residential developments to help to revitalise communities. This can include initiatives such as VAT relief for refurbishment works and change of use easements.

Support local community needs through placemaking

Ensuring sustainable placemaking remains at the heart of the Levelling Up agenda, including data modelling to plan local and regional needs, which will be supported by the recently announced planning resource reforms.

Reduce construction disputes, speeding up project delivery to hit targets

Work with developers to review the impact inflation and labour shortages are having on current and planned projects. This includes using services like the RICS Dispute Resolution Service to minimise the risk of disputes due to project delays or downsizing.

Ensure local affordability in rural housing

Ensure rural housing across a range of tenures, including social rent housing, is meeting the need for affordable and accessible homes in local communities. The provision of significantly more affordable housing is needed in many rural areas. The use of rural exception sites should be facilitated with finance for site acquisition and development to provide homes for rural/coastal families in areas where there is significant demand for holiday and retirement homes.

Set and report against planning targets to propel local plans

Urge future governments to retain a data-driven set of housing delivery targets and report against them (five-year supply end of year data). This remains essential to reaching the 300,000 per annum housing supply target and to provide transparent and democratic accountability to the electorate on an LPA's performance. As such, RICS strongly advocates for the ongoing maintenance of up-to-date local plans.

Use development to fund infrastructure

CIL was introduced as an alternative to s106 agreements, but both are necessary tools, as they provide separate necessary functions in the planning arena. RICS calls for amendments to be made to the current system, in order to combine the best of both current regimes in an integrated way that optimises their effectiveness.



The average required deposit amount for a first-time buyer is

£13,000 more than an existing homeowner.



Average years people live in their house 17.6 homeowners 4.4 private renters 12.7 social housing

Reported satisfaction with home quality 77% social housing tenants 94% homeowners

(Source: 2021/22 English Housing Survey)



Average spend to meet EPC C

£7,872 owner-occupier **£7,430** private landlords

£5,158 social landlords



The creation of safe, sustainable and affordable housing plays an essential part in the UK's economic, social and environmental well-being

New and improved social housing

Encourage conversions and regeneration to support social landlords Support the findings of the APPG for Ending Homelessness and APPG for Housing Market and Delivery that call on the government to support social landlords in opting to convert commercial property instead of focusing on new build developments, while ensuring quality and safety are not compromised. This can further be supported by the Levelling Up, Housing and Communities Committee recommendation of additional funding for social landlords who focus on regeneration, breathing new economic life into a community.

Embed social and affordable housing into brownfield housing targets Review the Brownfield, Infrastructure and Land Fund to determine suitability for embedding affordable and social housing targets as part of the scheme.

Improve competency in social housing management

Ensure the planned introduction of minimum qualifications to the social housing sector allows for sufficient training and additional funding for social landlords to invest in qualifications, with a reasonable lead-in time to reduce the risk of professionals leaving the industry. This includes recognition of existing professional body membership such as RICS, with additional training and qualifications where required.

Support social housing decarbonisation

Commit to the Social Housing Decarbonisation Fund by ensuring timescales support providers and local authorities in securing materials and skillsets to deliver the work and ensuring progress towards decarbonisation – helping to avoid the failures of the first-round phase of the scheme that saw local authorities return funding.

Implement standards-driven quality improvements to housing stock Ensure the quick and effective implementation of the proposed Safety and Quality Standard to support improvements and increasing resident well-being across social housing stock. For poorly-performing landlords the regulator should have the power to mandate an independent stock assessment.



High-quality and affordable private rental sector (PRS)

Increase supply of rented homes to meet demand and slow rent rises The <u>RICS UK Residential Market Survey</u> has consistently shown that a lack of rental properties is an increasing issue and is pushing up rental prices. Introduce a temporary higher-rate stamp duty holiday to encourage landlords to create more supply to keep up with increasing rental demand.

Take a measured approach towards reforms ensuring landlords remain in the sector

Introduce the proposed Renters Reform Bill in a measured approach, reflecting the supply pressures already facing the PRS, additional upfront costs, compliance costs as well as current interest rate pressures.

Create an energy efficient rental sector supporting decarbonisation and supply

Support landlords with improving the energy efficiency of their stock by confirming as soon as possible future Minimum Energy Efficiency Standard (MEES) regulations.

Deliver a joined-up quality and sustainability strategy

Use the expansion of the Decent Homes Standard to the PRS as a chance to embed energy efficiency improvements in the regulations.

Drive up standards without driving out landlords

With parts of England having almost 38% of PRS homes failing to meet the Decent Homes Standard, the government must explore funding where appropriate, and resource support for landlords to improve. Otherwise, landlords might dispose of the property, shifting the burden to another buyer or exacerbating the rental shortage.

Reduce financial and administrative burdens

Reduce the risk of landlords leaving the sector due to increased red tape by ensuring that registration with the new PRS Ombudsman and PRS Property Portal is low-cost and with limited administrative burden, while also looking to work with existing licensing schemes run by several local authorities to reduce duplication.



Ensure landlord compliance on decent homes by properly funding the Ombudsman

Properly resource the Ombudsman, to alleviate problems caused by the limited resource local authority control officers and Environmental Health currently face. With landlords expected to self-certify meeting the Decent Homes Standard, there is an evident risk of deliberate or inadvertent sign-off of compliance. The government should consider a form of survey or inspection to independently verify compliance.

Create modern and transparent leaseholds to protect consumers Support owners and tenants by adopting RICS' upcoming *Service charge residential management Code*, which will give greater protection for those in leasehold and commonhold properties, while ensuring investing in UK real estate remains an attractive proposition.



A vibrant owner-occupier market

Create stock, not schemes

With recent statistics showing first-time-buyers paid on average 43% more in a deposit than an existing homeowner, the government must prioritise increasing housing supply over a return of Help to Buy, which had well-documented evidence showing new-build homes had higher market average values than existing builds.

Encourage downsizing where appropriate

Encourage downsizing by reviewing opportunities for stamp duty and council tax relief. Cost neutrality would be achieved, if not increased, by a larger house sale being completed and would support those who may wish to reduce their homes size, especially older people.

Clarify leasehold reform plans

Confirm proposals to reform leaseholds and expand commonholds – with any introduction of commonholds being properly supported with professional advice and resource for residents.

Upfront property information for consumers

Implement the work of the National Trading Standards on upfront property information to support consumers in making well-informed purchases. This can be supported by further mandating the use of a home survey as part of the material information process to provide professional and impartial advice. The existing model in Scotland shows the home purchasing process to be significantly quicker and with less likelihood of the buyer withdrawing.

Regulation of property agents to ensure rental standards and tenant support

Deliver on the recommendations of the Regulation of Property Agents Working Group, published in 2019, to expand professionalism and transparency in the sector.



2. Developing low-carbon, energy efficient homes

Develop a minimum energy efficiency, target-driven strategy to decarbonise housing stock

Create a regulatory-driven framework for energy efficiency improvements in housing which will give confidence to the supply chain, financial sector and consumers that there is a long-term vision for creating sustainable homes.

This includes actioning the recommendations of the UK Government Independent Review into Net Zero for using a reformed EPC methodology to set minimum energy efficiency standards for new and existing private lets and house sales.

Expand building passports

Encourage and expand the use of a digital building passport scheme, especially in multi-block tenures to facilitate a joined-up approach towards property maintenance and retrofitting.

A whole house approach to retrofit funding

Move to holistic retrofit and energy-efficient grant schemes rather than product-specific to reflect a tailored approach needed for each house to achieve optimum energy efficiency.

Drive effective energy and carbon measurement – what gets measured gets done

Action the recommendations from the recent <u>RICS Decarbonising</u> <u>UK real estate report</u> that called for reform with how building performance and EPCs are presented. This includes switching from an energy cost metric to a carbon metric to measure decarbonisation. RICS calls on the government to introduce four new metrics to the EPC process:

- fabric energy efficiency (the capacity of the building fabric to retain heat, in kWh/m2/y)
- space heating demand (the share of energy required only for heating, in kWh/ m2/y)
- peak energy load (the maximum energy demand at one point in time, in kW)
- on-site renewable generation capacity (in kWh/y).

Expand consumer confidence in retrofitting with a consistent methodology

Embed the need for a holistic retrofit assessment in all future grant schemes to ensure consumers have impartial advice on how to spend public funds on improvement works. This can be supported by tools including PAS 2035 and RICS' *Retrofit for residential property*. Develop the much-needed National Fire Strategy as recommended by industry to raise competency, standards and mitigation

Expand on-site renewables

Review energy and building regulations to explore mandating on-site renewable energy generation (including solar PV, battery and heat pump technology) where feasible, to create energy efficient, lowcarbon powered homes.

Extra help for hard-to-treat and off-grid homes that struggle with conventional retrofit

Review the support available for hard-to-treat homes and those off-grid where the 2035 date for a ban on new gas boilers will see significant costs and technical expertise required to bring the home up to compliance.

3. Safer buildings

Take a four-nation approach towards building safety

Ensure a consistent approach towards building safety standards and regulation across all four nations by using the inter-government liaison group. This will help facilitate a consistent approach towards training, CPD and Professional Indemnity Insurance.

Resource building safety functions to enable them to succeed

Regularly review the resource capacity of the Building Safety Regulator, Local Authorities building control and planning departments, Fire & Rescue Services, HM Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) to uphold effective delivery of the building safety framework.

Protect our homes with a National Fire Strategy

Develop the much-needed National Fire Strategy as recommended by industry to raise competency, standards and mitigation. This must include the UN-endorsed <u>International Fire Safety Standards (IFSS)</u> <u>Common Principles</u>.

Part II Community infrastructure – placemaking and regeneration to deliver growth

Recent changes to the way many of us work and access community amenities has prompted a reimaging, remodelling and repurposing of our towns and cities. The regeneration of communities has the potential to impact socio-economic growth across the UK, and it is the construction and real estate sectors that have the power to deliver this value through sustainable placemaking. Responsible development and well-managed real estate assets are critical drivers of productivity, social value and climate change mitigation.

The built environment sector has significant untapped potential and requires transformation if we are to deliver a highly-skilled workforce, thriving communities and a sustainable future.

4. Unlocking capital investment to enable economic growth

Define a national real estate roadmap that is attractive to inward investment

Create a national value proposition that sets out a holistic real estate development strategy for the UK rather than a focus on independent regional projects. This will attract and deploy inward foreign investment on a national scale, benefitting the whole economy, environment and society.

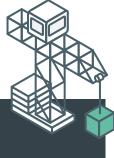
COMMERCIAL REAL ESTATE

contributes over **£60 billion** in GVA **£15 billion** in tax revenue and **employs over 1 million**.



CONSTRUCTION

accounts for **£110 billion** in GVA **7%** of GDP and **employs over 2 million**.



Incentivise remediation of brownfield sites ensuring their investment viability

Focus on removing barriers to development that hinder capital flows or create uncertainty of outcome for brownfield sites. Barriers include contamination or infrastructure deficiencies, which, without clear remediation or connectivity plans, can deter investment.

Expand locations for funding brownfield development delivering greater regional growth

Home England's Brownfield, Infrastructure and Land Fund needs to be accessible across a broader range of locations to unlock more employment floorspace than the initial 200,000sqm in scope in the Greater London Authority, West-Midlands Combined Authority and Greater Manchester Authority.

Incentivise long-term investment for social value by creating a stable regulatory environment

Incentivising and supporting investors who are willing to back developments that create environmental and social value requires a stable regulatory environment with transparent, predictable policies and tax and grant incentives.

Reform local authority funding ensuring more considered local decision-making

Reform how local authorities are awarded funding for community development to ensure local needs assessments inform funding decisions. A more flexible and collaborative approach should be adopted to ensure that local authorities work together to identify common goals, pool resources and define longer-term needs across regions.

Appoint Regional Regeneration Tsars to improve funding outcomes

To enhance funding outcomes and promote better coordination between central and devolved authorities, the appointment of Regional Regeneration Tsars is recommended. These individuals would be responsible for improving the integration of regional spatial plans with central investment strategies and enhancing the links with regional plans.

Boost the planning workforce to secure holistic community development

Local Authorities' Planning Departments require full and proper resourcing to tackle backlogs, staff turnover and ensure a properly functioning enforcement apparatus. The £24 million funding for a new model of 'super planners', as announced in the summer of 2023 for unlocking housing developments, should also be increased and expanded to cover commercial real estate.



5. Delivering social value from our land and community infrastructure

Reform the Landlord and Tenant Act to balance interests and avoid disputes

The principle and design behind the <u>Landlord and Tenant Act</u> <u>1954</u> of commercial real estate being used fairly, effectively and efficiently, should be re-established while modernising how this balance is sought, minimising risks for either party. Mediation should be encouraged to prevent disagreements from escalating and arbitration used to resolve disputes between landlords and tenants.

Improve the business rate system to create fairer funding for local services

Incentivise investment in sustainability through tax credits and reduce the administrative burden on businesses with a digital system and appropriate resourcing for the Valuation Office Agency to ensure property valuations provide accurate data. Additionally, raise awareness of rogue agents and encourage ratepayers to protect themselves by seeking advice only from qualified members of RICS, RSA and IRRV.

Improve the state of public buildings to deliver safe and green community infrastructure

Allocate funding to ensure public buildings are safe and fit for purpose and deliver value for money. Develop a retrofit plan to map out requirements for retrofitting buildings across the public estate including schools and hospitals with benefits quantified including long term cost savings and environmental impact and resilience.

Commission an evidence-led review of the Green Belt

Advocate for an evidence-led review of the Green Belt policy to transparently consider the benefits and trade-offs that apply to its current operation. The Green Belt in England has grown from 7,215 km² in 1979 to around 16,382 km² at the end of March 2022. Failure to review Green Belt removes the opportunity to consider the most logical and sustainable option for increasing housing within cities, a policy that requires a combination of brownfield development, higher density and in some cases limited Green Belt release.

Commit to sustainable public transport infrastructure supporting net zero goals

Commit to decarbonising public transport and promote sustainability throughout the transport network. Invest in regional rail infrastructure and rural transport networks that create better connectivity for people and goods.





Improve electric vehicle charging to deliver cleaner transportation

Invest in reliable public charging infrastructure for electric vehicles that is easily accessible, ensuring new transport innovations are inclusive and practical for all. While there has been growth in the number of charging points, that growth has not been distributed equally. According to the UK Department for Transport, London has the highest number of chargers with 152 chargers per 100,000, whereas the UK average is 66.

Drive digital connectivity and telecommunications to support social inclusion

Enable digital telecommunications as economic and social drivers of equal importance to other nationally critical infrastructure. While great progress has been made for both rural and urban connectivity, government needs to work more collaboratively with the newly-formed <u>National Connectivity Alliance</u>. Their aims are to ensure social inclusion, enable businesses to embrace digital technology and to open up new markets that provide communities with reliable connections.

Balance competition for land use to deliver food security

To ensure that competing land uses are balanced in the public interest, sustainable food production should be prioritised and its link to satisfying the UK's dietary, nutritional and calorific requirements should be recognised.

Recognise the role of land stewardship mitigating climate change in rural communities

Rural communities and businesses need to see faster co-ordinated action from government and public agencies, at all levels, to address the growing challenges posed by climate change. The role of farming and good land stewardship has a significant part to play in assisting the UK in meeting its net zero targets, and should be given due recognition and supported accordingly.

6. Optimising sustainable property performance

Improve energy use reporting for non-domestic property to deliver net zero

Starting in 2025, mandate a performance monitoring, benchmarking and disclosure system for non-residential buildings over 1,000m², which aligns with a performance base rating scheme, such as NABERS UK. This should be underpinned by a unified system of measuring properties, such as the <u>International Property</u> <u>Measurement Standards (IPMS)</u>.

Clarify Minimum Energy Efficiency Standards (MEES) to support landlords and occupiers

Increase awareness, clarity, and certainty on MEES targets for nonresidential properties and reform EPCs, recognising the diversity of building types, sizes and other relevant factors.

Support a national retrofit programme to prevent stranded assets

Incentivising and resourcing a retrofit programme for non-residential properties that is aligned with the National Retrofit Strategy will ensure that commercial and public buildings remain in demand and reduce the risk of existing stock becoming unoccupiable in favour of newer more sustainable properties. The <u>RICS Commercial</u> <u>Property Monitor</u> consistently highlights the lower demand for less sustainable properties.

Mandate a property performance framework for the public sector to enhance public space

The International Building Operation Standard (IBOS) should be mandated for public sector buildings as a consistent, data-based framework to enable performance management of buildings and support strategic decision-making to improve user experience of public spaces.

7. Reforming construction and infrastructure procurement

Commit to whole life costing to better evaluate cost benefit

Commit to improving accuracy, costings and transparency in public sector construction projects by promoting the use of <u>International</u> <u>Cost Management Standards (ICMS)</u> and embed it in the public sector procurement processes for whole-life costing, accurate capital expenditure calculations and analysis of the cost-benefit.





Shift to value procurement considering value outcomes as well as build cost

Mandate a shift to value procurement for public sector projects rather than tendering based only on minimising build cost, as this prioritises long-term social and environmental goals. Also, by promoting whole life value assessment, the entire life cycle of a project's operational, maintenance and end-of-life costs is considered rather than focusing only on the upfront construction costs.

Embrace digital technology to build in project efficiencies Encourage adoption of innovative technologies and practices such as digital twins during the procurement process to drive efficiency and sustainability in infrastructure projects. Embrace digital technology to streamline procurement processes, improve data sharing and enhance project delivery.

8. Embracing sustainable construction principles

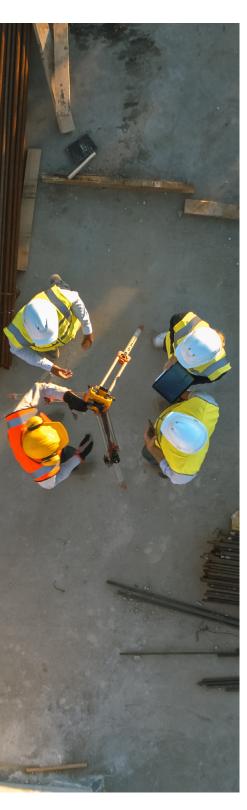
Mandate carbon measurement to achieve net zero

Introduce a cap for embodied carbon and enforce whole life carbon assessment by adopting Part Z building regulations for new buildings and standardising the measurement of embodied and operational carbon for built assets. This can be achieved through the integration of International Cost Measurement Standards (ICMS), RICS' Whole life carbon assessment for the built environment and the Built Environment. Carbon Database to enable accurate project benchmarking.

Standardise the definition of a net zero building to provide market clarity

Support the <u>UK Net Zero Carbon Buildings Standard</u>, which will define how buildings are measured and defined as net zero, improving decision-making for owners and occupiers.

Incentivise use of circular economy principles to drive sustainability Promote and incentivise sustainable design and responsible use of materials to help decarbonisation and resource conservation through the implementation of circular economy principles. Award tax credits for the reuse, recycling and repurposing of materials to reduce waste and promote a more sustainable approach through the life cycle of a building.



9. Modernising construction project delivery

Drive up digitalisation to industrialise and scale-up construction Encourage industrialisation of the sector through building passports that create a digital identity for buildings from design through to construction and end-of-life. Also, integrate BIM and digital twins to implement whole-life and whole-asset thinking for both new and retrofitted assets, so that innovations can be replicated across projects to deliver social value and net zero goals.

Embed data capture in projects to support project benchmarking and collaboration

Mandate data-driven processes and systems for projects and built assets to encourage collaboration between industry, government and academia, and invest in data skills development that will deliver positive social, environmental and economic outcomes.

Endorse Modern Methods of Construction (MMC) to scale up capability

Integrate MMC and Offsite Construction into broader policy programmes, such as NPPF and building standards and assist with R&D to figure out what works and the required level of standardisation. Additionally, provide investment guarantees to allow the industry to survive in the short-term while economies of scale are developed, and the business case proven. This can include a presumption in favour during procurement for those demonstrating the use of MMC where feasible.

Reduce the risks, time and costs of disputes through Alternative Dispute Resolution

Improve dispute resolution processes in the UK construction industry to ensure timely and cost-effective resolution of conflicts, as effective dispute resolution is crucial for maintaining trust, improving productivity and ensuring projects are kept on time and budget. Industry should be trained on ADR processes and government construction clients should lead by example by adopting best practice for mediation and dispute resolution and setting standards for the private sector to follow, including promoting the Conflict Avoidance Pledge.



Part III Future skills for a sustainable built environment

A shortage of skilled workers in the built environment industry has led to a growing gap between the demand for infrastructure development and the available workforce. Consequences include delays and increased costs for construction projects and limits to the sector's capability to meet the demand for new infrastructure and housing.

The UK needs to address the green skill shortage urgently as professionals with expertise in environmental sustainability, renewable energy and green technologies will be in increasing demand. Similarly, growth in the digital economy will naturally unlock jobs and enable greater diversity by including those not traditionally represented in the industry.

To improve productivity, drive sustainable innovation and create greater diversity and inclusion, it is essential the next government takes a multifaceted approach to address the skills crisis.



Only 15% of built environment professionals are **women**.

BAME professionals make up **6%** of the built environment.

(Source: CIOB)

10. Closing the skills gap and fostering an inclusive workforce

A built environment skills task force to identify skill gaps and opportunities

Establish a skills task force to identify current and future gaps in the built environment, especially green skills, and develop a crossindustry strategy to address these gaps. This should include financial and resource support for up-skilling and investment in education pathways.

Incentivise training and apprenticeships to build the skills pipeline

Fund training and apprenticeships in the built environment to encourage individuals to pursue careers in the industry and to build skills in modern construction practices and digital technology. The government should provide incentives for individuals and companies to invest in training and development, for example via tax credits or other financial incentives.

Invest in the next generation of built environment skills to secure future supply

Undertake a skills assessment to ensure a pipeline of future talent is available to deliver future built environment needs, including housing targets. This includes reviewing current education opportunities and implementing the House of Lords Built Environment Committee recommendation to create an English Built Environment GCSE to inspire the next generation of professionals.



Improve diversity and inclusion to attract a more representative workforce

Work closely with the construction industry to attract a diverse workforce, appealing to women and other under-represented groups. This could involve setting diversity targets, targeting specific groups for apprenticeships and ensuring diversity and inclusion in government led-construction projects by encouraging diversity criteria in the procurement selection of contractors and suppliers.

Increase brand awareness of built environment careers

Launch a campaign to rebrand and raise the profile of built environment careers and the relationship to sustainability and tackling some of the biggest challenges facing our planet. This could include working with schools and colleges to provide information and guidance on careers in the industry.

Expand international recruitment addressing the immediate skills crisis

Explore the possibility of recruiting skilled workers from other countries to address skills shortages in the industry. This could involve developing a fast-track visa programme for skilled workers and working with international recruitment agencies to identify and recruit skilled workers.

7.9% of the **Green Homes Grant** target met – with the lack of skills and suppliers a major contributor.

Up to

725,000 jobs

could be saved or created by 2030 if we **invest** in a **net zero revolution** today.

(Source: Climate Change Coalition)

Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

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