



Build-to-Rent's Role in Housing Supply

A report from the RE:UK Build-to-Rent Committee

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Introduction

This document explores the pivotal role of the Build-to-Rent (BTR) sector in addressing the UK's housing shortage and its potential for significant contribution towards the Government's ambitious target of 1.5 million new homes. Achieving this goal will demand an exceptional level of capital, which can only be met through attracting large-scale institutional and international investment. Unlocking the full potential of the BTR sector will not only support delivery of the new homes target, but also contribute to the Government's wider growth mission - stimulating job creation, regeneration and long-term economic resilience.

As homeownership is increasingly out of reach for many – the ratio of annual income to house price in England has more than doubled since 1997 [\[1\]](#) – and with larger numbers of people now renting for longer, there is an increasing need for more and more diverse rented homes. However, rather than growing to meet this increased demand, the private rented sector (PRS) is shrinking. Recent research found that 290,000 homes have been lost from the PRS since 2021, on top of the additional 60,000 required under the Government's housing target [\[2\]](#). The growing demand for rental homes, and pressure on the wider PRS, necessitates innovative and efficient delivery models.

At the same time, renting is becoming a more attractive offer, as many households increasingly value the flexibility, quality and convenience that professionally managed, well-located homes with modern amenities can offer. Renting offers people a chance to live in areas they could otherwise not afford, opening up opportunities to move for work, support social mobility and adjust housing to different life stages. BTR can therefore respond not only to a housing crisis, but also evolving lifestyle preferences.

The BTR sector has emerged since 2012 as a key solution, demonstrating remarkable capacity for rapid and scalable housing provision. As the name suggests, BTR is a residential offering that is purpose-built for rent rather than sale. This paper will explore how regulatory support for BTR homes can help deliver 1.5 million homes, revitalise communities and boost economic development.

What is Build-to-Rent?

BTR is a modern housing model where homes are purpose-built for the rental market. BTR homes are typically owned by institutional funds and include professional on-site management, long-term single ownership and additional high-quality amenities. The goal of BTR is to provide high-quality rental homes for residents, whilst providing stable long-term income for institutional investors.

Types of BTR developments

There are currently three main types of BTR developments:

Type of development	BTR houses	BTR apartments	Co-living
What is it?	Traditional, low-density homes for single households	Typical apartment blocks with mostly 1-2 bed apartments and communal spaces	Studio apartment blocks with a larger offering of communal spaces and amenities
Typical amenity provision	Limited amenities, site management, community building activities	+ Co-working space, gyms, lounge areas, outdoor spaces	+ all-inclusive costs (council tax and utilities), shared cooking spaces, dining areas, more entertainment spaces
Typical resident	Families where rent payer is aged 30+, professionals	Younger single people or couples, professionals, key workers	Younger, international workers, new to the city

Key points

- BTR can play a pivotal role in meeting the Government's target of 1.5 million new homes, with potential to deliver 30,000 units per year under the right policy and investment conditions.
- BTR schemes deliver homes 30-60% faster than traditional build-to-sell models, are resilient to market fluctuations and are backed by long-term institutional investment.
- The sector is diversifying beyond city centre apartments into houses and co-living, with many developments including discounted market rent (DMR) homes comparable in cost to the wider private rented sector and serving key workers.
- BTR supports economic growth and regeneration through job creation, local business support, and high-quality, professionally managed rental communities with strong resident engagement.
- Unlocking BTR's full potential requires a tax framework that reflects the realities of the BTR model and ensures parity with other housing tenures, alongside a stable regulatory environment and a strategic planning approach that recognises the distinct nature of rental housing.



Contribution to the Government's 1.5 million homes target

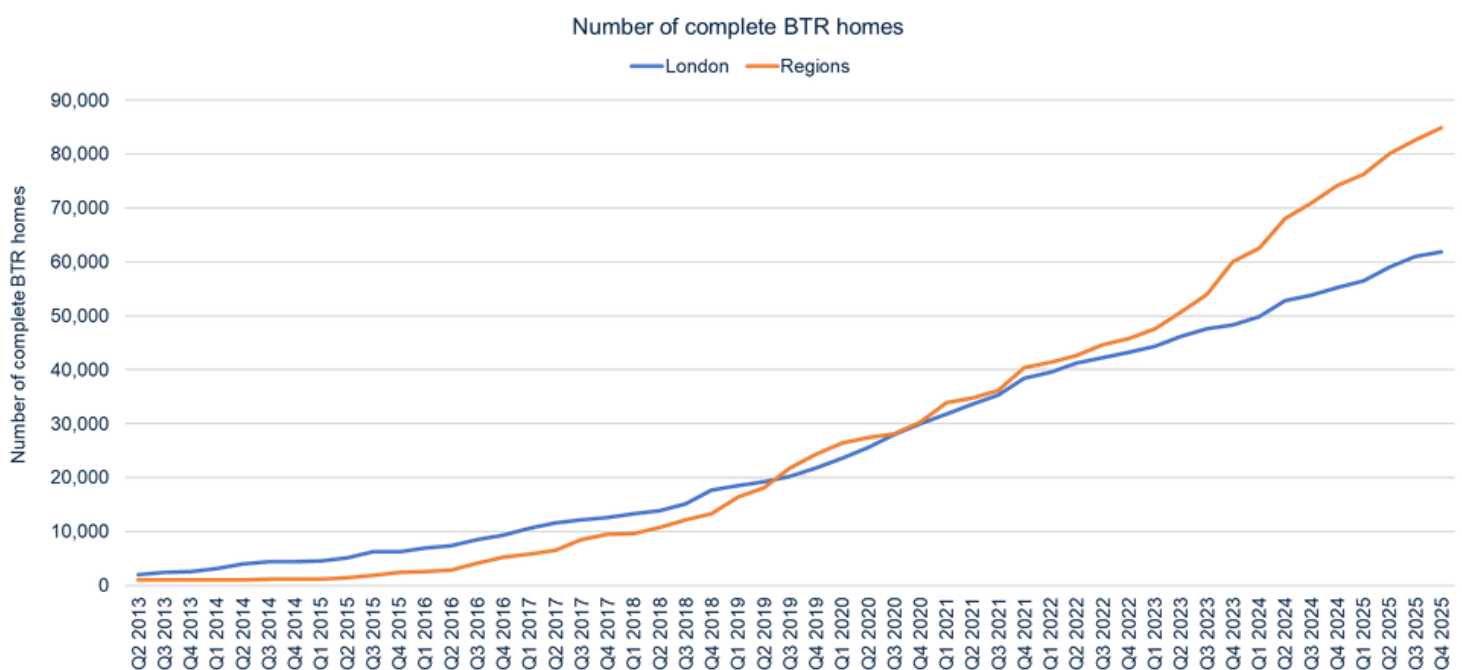
BTR's accelerated build-out speed

BTR is emerging as a pivotal model for scaling up housing delivery quickly and efficiently. As we note above, broad stagnation in private homeownership activity means more rental homes are needed to keep up with growing demand.

One of BTR's most compelling contributions to housing supply is its capacity for faster and more scalable delivery. This efficiency stems primarily from its unique financial and operational models.

BTR projects are predominantly financed by institutional investors, including pension funds and real estate investment trusts (REITs). These investors have investment strategies driven by the pursuit of stable, inflation-linked, long-term rental income rather than immediate, one-off sales. This institutional backing and forward-funding approach fundamentally reduces the reliance on phased sales, which often constrains the speed of traditional build-to-sell projects.

As BTR schemes rely on long-term occupancy, they do not stand to gain from land-banking, in the way traditional for-sale housebuilders do. This means BTR is not just adding homes, but delivering them at a significantly accelerated pace. MHCLG found BTR schemes build out on average between 30-60% faster than non-BTR [\[3\]](#). As of Q4 2025, the sector has surpassed a 13% year-on-year increase in operational stock [\[4\]](#), compared to the 0.87% annual national increase in total housing supply between 2023-24.



The BTR sector, typically associated with apartments, is undergoing significant diversification, with BTR houses and co-living models now constituting a substantial share of the development pipeline. BTR houses have attracted significant investment, with £1.9 billion deployed in both 2023 and 2024, more than eight times the five-year average [\[5\]](#). BTR houses accounted for 38% of total BTR investment during this period. Investors consistently rank BTR houses as the biggest potential growth area for the next five years with their construction jumping 29% year-on-year. 13% of the BTR pipeline, or over 38,000 homes, are now BTR houses - a 28% increase in the last 18 months alone [\[6\]](#).

Resilience of BTR stock

A significant advantage of BTR, particularly when compared to traditional build-to-sell projects, is its inherent resilience and lower susceptibility to market fluctuations and economic downturns. The long-term investment strategy of institutional investors, focused on consistent rental income, helps to mitigate the impact of fluctuating property prices. This provides a predictable revenue stream that is highly appealing to risk-averse investors.

The UK's persistent housing crisis signals that there is high demand for high-quality rental homes, irrespective of broader economic conditions. This enduring demand, fuelled by ongoing affordability challenges for homeownership and continuing urbanisation trends, ensures BTR developments remain attractive.

Renters increasingly value professional management, modern amenities, well-located homes and flexibility to move between locations and adjust their housing to different life stages. High occupancy rates, averaging 97% across operational buildings, and faster tenant take-up further attest to the appeal and demand for BTR properties.

30,000 new BTR homes a year

As set out in our 2024 election manifesto [\[7\]](#), we believe the sector has the potential to deliver 30,000 BTR homes per year, to contribute to the Government's 1.5 million homes target, provided the policy and investment environment is right. BTR shows enormous potential for delivering homes quickly and at scale.

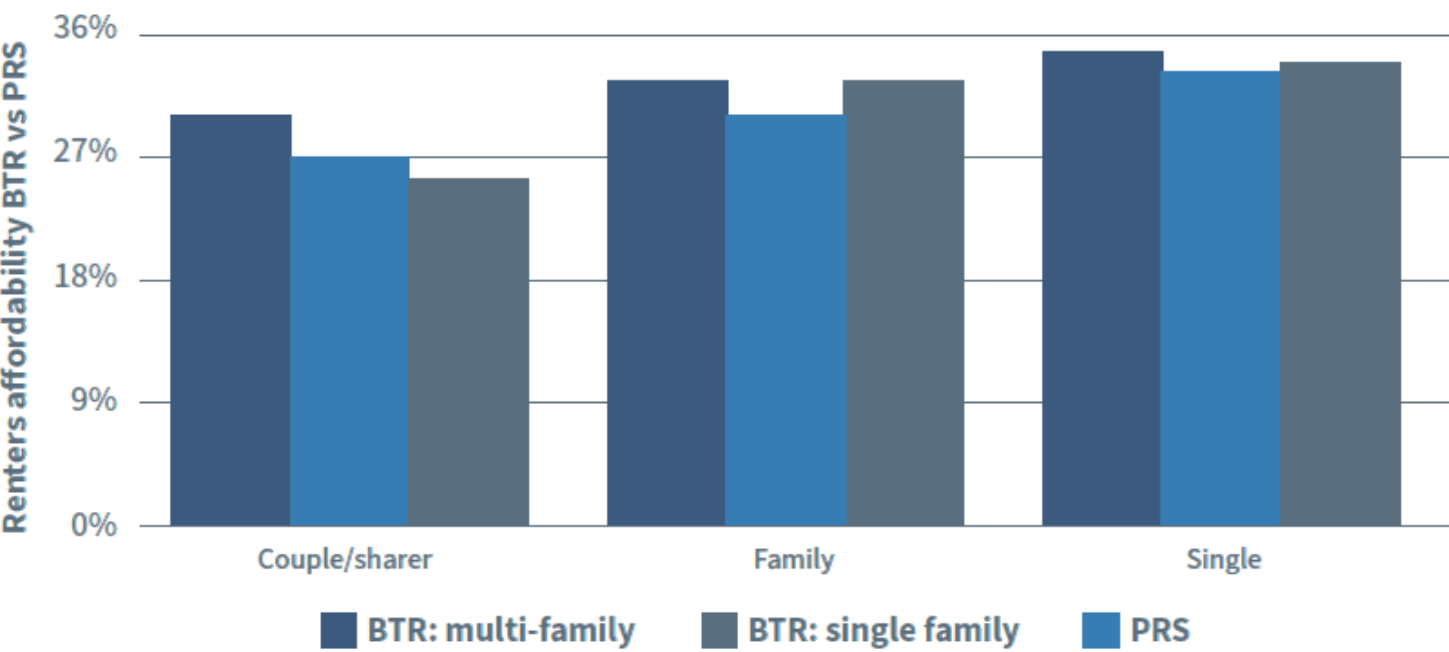
For the potential of BTR in addressing the UK housing deficit to be realised, the sector needs policy support that recognises the distinct business model of BTR schemes, streamlines regulatory processes, and ensures BTR models have regulatory parity with other housing tenures.



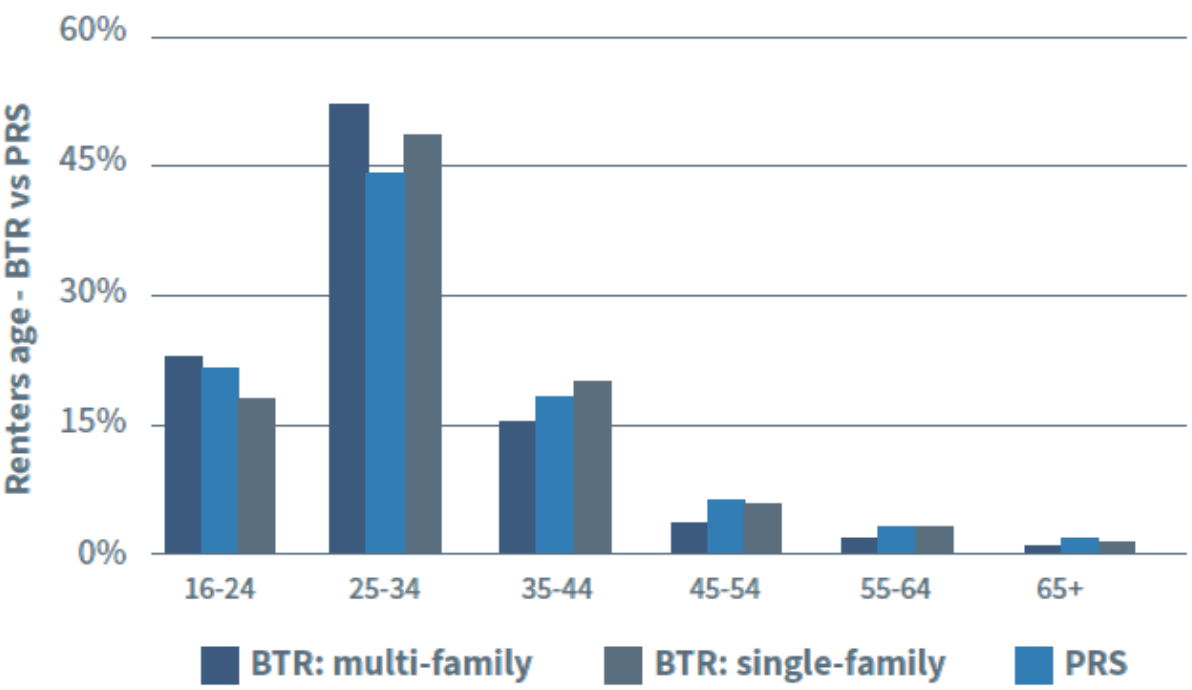
Providing additional affordable homes

Comparing BTR affordability with the wider PRS

Our [‘Who Lives in BTR?’](#) report indicates that a significant portion of BTR residents fall into income brackets consistent with middle-income key workers, demonstrating the sector’s potential to meet this specific housing need.



BTR is often thought of as a luxury product, but the ‘Who Lives in BTR?’ report shows that the sector is comparable to the wider PRS in terms of affordability and resident demographics.



The report shows that BTR homes are not only more professionally managed, but often comparable in cost to private rentals of similar size and location, especially once amenities and services are factored in. In some cases, BTR homes offer greater value due to their predictable tenancy structures, no hidden fees and enhanced service standards.

Amenity	Proportion of Schemes Offering within the Rent
Social Calendar of Events	82%
Shared Terrace and/or Roof Terrace	78%
Parcel Acceptance and/or Storage	71%
Co-Working and/or Meeting Spaces	70%
Residents' Lounge	70%
Concierge	61%
Gym or Wellbeing Centre	60%
24-Hour Security	59%
Events Spaces	56%
Fitness Studio	29%

Studio in a managed co-living building

Rent	£1,800
Council tax	Included
Utilities and WiFi	Included
Co-working membership	Included
Gym membership	Included
Events and activities	Included

Total £1,800

1 bed flat in a managed BTR building

Rent	£1,950
Council tax	£175
Utilities and WiFi	£220
Co-working membership	Included
Gym membership	Included
Events and activities	Included

Total £2,345

Typical 1 bed flat

Rent	£1,800
Council tax	£175
Utilities and WiFi	£220
Co-working membership	£350
Gym membership	£76.25
Events and activities	£40

Total £2,661.25

[\[8,9,10,11\]](#)

Delivering discounted market rent (DMR) through BTR

The BTR sector represents a significant opportunity to expand the supply of affordable homes, both directly through discounted rent delivery and indirectly by easing pressure on the wider PRS. As the sector continues to grow, policy tools such as the National Planning Policy Framework (NPPF) offer a framework to support a proportion of affordable units from BTR schemes.

The NPPF sets a benchmark of 20% for affordable private rent in BTR schemes. The case studies below demonstrate that this target can be met in practice, but increasing viability pressures mean aggregate delivery falls short.

Strengthening the policy and funding environment for BTR could help close this gap and ensure the sector realises its full potential in increasing housing affordability.

Extrapolating the NPPF's target of 20% across the current and future pipeline of BTR delivery presents a meaningful opportunity for growth of affordable homes.

For example, if 20% of our recommended target of 30,000 annual BTR completions were delivered as DMR, this would equate to 6,000 additional affordable homes per year. BTR schemes also typically operate tenure-blind, meaning those receiving housing at a discounted rate receive the same high-quality homes as those paying the full market price.

This form of affordable housing is particularly well-suited to urban centres and high-demand rental areas, where BTR schemes are often concentrated and where the affordability gap is most acute. It also helps reduce the growing waiting lists for affordable rental homes, offering households quicker access to secure, well-managed accommodation.

What is DMR?

Discounted market rent (DMR) is an affordable housing option that bridges the gap between those who earn too much to qualify for social housing, but can't afford full market rent. Developers offer tenure-blind DMR homes, which are high-quality, professionally managed properties, at around a 20-30% discount.

Key figures since 2015

Category	Total Contribution (£)	2024 Contribution (£)
Build-to-Rent (BTR)	40 billion	4.5 billion
Purpose-Built Student Accommodation	90 billion	4.2 billion
Older People’s Housing	N/A	2.5 billion
Affordable Housing	Estimated 5 billion	N/A

Forecasts from JLL, Savills, Knight Frank and Cushman Wakefield

Improving affordability across the PRS

Beyond direct provision, additional BTR delivery can help moderate rents across the wider PRS. By adding professionally managed, high-quality rental supply, BTR helps increase supply in overstrained markets. Over time, BTR can contribute to improved affordability for renters more broadly, particularly in cities where rental inflation has been driven by chronic undersupply.

This supply-side impact is supported by economic analysis showing that increased housing supply is one of the few consistent drivers of improved affordability. Research by the Greater London Authority found that a 1% increase in housing supply is associated with a 2% fall in house prices, after controlling for other factors [\[12\]](#). BTR is currently one of the most deliverable forms of tenure in constrained planning and funding environments. Therefore, it has the potential to improve affordability in the PRS.

If our target of 30,000 BTR homes per year were delivered, the BTR sector has the potential to decrease housing prices by 0.23% annually [\[13\]](#).



Serving key workers through living rent models

In high-cost urban areas, particularly London, BTR's affordability offer aligns closely with the Mayor of London's Key Worker Living Rent Homes proposal [\[14\]](#). These homes are targeted at workers essential to the city's functioning (e.g. nurses, teachers, transport workers) and aim to provide housing at below-market rents, typically set at one-third of local median incomes.

Given BTR's delivery model and institutional investment base, the sector is well-placed to pilot or scale key worker housing at pace, especially when aligned with local authority planning frameworks and potential co-investment.

A photograph of a modern multi-story building with a brick and glass facade. The building features several balconies with dark metal railings. In the foreground, there is a landscaped courtyard with young trees, shrubs, and concrete planters. The image is framed by a dark blue curved shape at the top and bottom.

Stimulating economic growth

BTR is not only a growing contributor to housing supply, but also a powerful enabler of economic growth, directly supporting the Government's broader growth mission. By attracting new residents, creating jobs and supporting local enterprise, BTR developments deliver measurable value to urban and regional economies.

Job creation through delivery and operation

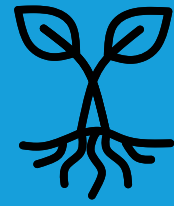
BTR schemes support the economy through both construction-phase employment and long-term operational roles. Each new development typically generates:



Hundreds of construction jobs, often over multi-year periods



Permanent roles in property management, leasing, maintenance, facilities and resident services



Additional employment in ancillary services such as cleaning, landscaping and local supply chains

With thousands of BTR homes delivered annually, the cumulative job generation potential makes a measurable contribution to regional economies and aligns with the Government's objective to support high-quality employment across the country.

Supporting local business through design and operation

Many BTR developments are intentionally designed to integrate ground-floor commercial units and flexible spaces for small businesses. This model encourages mixed-use neighbourhoods, creates affordable retail or studio space for local entrepreneurs, and promotes active frontages and safer public spaces. By curating local retail and service offerings, often prioritising independent businesses, BTR landlords reinforce the Government's aim to develop sustainable local economies while delivering high-quality homes.



Greystar Pearl Yard, South-East London

Formerly known as 'The Bermondsey Project' during development, Pearl Yard is transforming the 12-acre former Peek Freans biscuit factory site in South-East London into a flagship BTR community by Greystar.

The scheme is set to deliver approximately 1,624 new homes for rent, of which 35% (around 568 units) are affordable tenure (25% social rent, 10% intermediate). Scheduled for full completion by 2027, the development incorporates a 600-place secondary school, 4,700 m² of play space, and opens pedestrian connections through former railway arches to enhance permeability and integrate with surrounding neighbourhoods.

Pearl Yard goes beyond housing to act as a catalyst for local economic growth. It includes over 15,700 m² of flexible employment space, with 10% designated as affordable workspace to support start-ups and local enterprises. Additionally, the scheme provides around 10,000 m² of retail, cultural, leisure and community space, generating footfall, commercial activity and job creation in Bermondsey. Landscape-led design enriches the public realm with at least 22,000 m² (41% of the site) of green infrastructure, contributing to urban cooling, biodiversity, and recreational amenity for residents and visitors alike.

Boosting local economies through new residents

BTR homes tend to attract young professionals, early-career households and young families - demographics that are highly economically active.

Their presence increases footfall, retail spend and use of local services, which in turn strengthens demand for high streets, cafes, hospitality and small businesses. This supports longer opening hours and greater variety of services, and enhances the vibrancy and resilience of local centres.

Research consistently shows that new housing developments drive positive multiplier effects when they bring in residents with disposable income and stable tenancies.

Supporting regional growth

While BTR is strongly established in London, growth in regional cities such as Manchester, Birmingham, Leeds and Glasgow demonstrates the sector's capacity to support regional regeneration and economic development. Key benefits include:

- Attracting and retaining skilled talent for regional employers;
- Providing high-quality housing near business districts, hospitals, universities and transport hubs;
- And acting as a catalyst for wider place-making and infrastructure investment.

As more institutional capital flows into regional BTR, these developments are well-positioned to contribute to balanced national growth, a central aim of the Government's plans for regional growth.

A large-scale construction site for Wembley Stadium. The main structure is a tall, rectangular building covered in white scaffolding and safety netting. A large tower crane stands to the right of the building. In the foreground, there are green storage containers and a sign that reads "Welcome to Wembley Stadium". The sky is overcast.

Driving local regeneration



PLATFORM_ Vacant to thriving – Glasgow city centre

Platform_ completed a 498-unit BTR development on the west side of Glasgow's city centre in 2023. The site had been vacant for over 20 years.

In the same year, planning applications were submitted for four separate major developments comprising a total of 1,623 homes (a mix of BTR and for-sale units) and 1,426 student beds – all in the area immediately surrounding the Platform_ development.

Platform_'s scheme has acted as a catalyst for much-needed mixed-use development in the city centre, helping to meet growing demand for rental accommodation and student housing. Glasgow City Council aims to increase the city centre's residential population by 40,000 between 2025 and 2035, while also attracting younger residents. These new developments are playing a key role in supporting the city's regeneration and delivering on the council's long-term vision.

Bolstering existing communities

BTR is increasingly being recognised not only for its housing delivery potential, but also for its role in supporting regeneration outcomes. Unlike fragmented, short-term housing delivery, BTR schemes backed by long-term institutional investment are well-positioned to catalyse sustained local renewal, particularly in urban areas requiring reinvestment and modernisation.

Better places

ESG is important to BTR investors, a sector where schemes are designed to offer more than just housing. BTR is often seen as a way to improve communities by creating high-quality, sustainable places to live, which in turn can lead to better social outcomes. BTR's single ownership and professional management model enables ongoing re-investment and maintenance, which helps schemes remain socially beneficial in the long-term. These social benefits are increasingly being recognised as a key factor in attracting capital from institutional investors who are focused on delivering positive social impacts and regenerating communities, in addition to financial returns.

Effective regeneration goes beyond physical redevelopment. It requires the creation of inclusive, economically vibrant, socially cohesive communities. BTR developments can support this ambition by integrating housing with local employment, services and social infrastructure.





GetLiving **East Village, Stratford, London**

The UK's first large-scale BTR scheme, East Village in Stratford (converted from the 2012 Olympic Village), now houses 7,000 residents and combines housing with local services and amenities such as parks, retail, a school and social hubs, while supporting local employment and everyday life.



A photograph of three women in a professional setting, likely an office or meeting room. The woman on the left is wearing a light-colored hijab and a matching top, smiling and looking towards the center. The woman in the middle is wearing a teal blazer over a white polka-dot top, holding a tablet and looking at it. The woman on the right is wearing a colorful patterned top and is also looking at the tablet. The background is a bright, out-of-focus window. The image is framed by a dark blue curved border at the top and bottom.

Building thriving communities

Building for social connection

BTR schemes are intentionally designed to foster strong, connected communities. Shared spaces, dedicated resident programmes of events and on-site management are all key features that encourage social interaction and a sense of community. The demographic of BTR residents is diverse, attracting young professionals and key workers.

Findings from the Quality of Life Foundation show that community design, affordability and management standards are key to ensuring positive outcomes for residents [\[15\]](#). Features such as co-working areas, communal lounges and resident events promote wellbeing and social cohesion. When BTR schemes intentionally support resident interaction and local engagement, they help establish thriving, integrated neighbourhoods.

Benefits to the wider community

The provision of high-quality indoor and outdoor spaces for children and young people is a well-valued benefit for residents and the wider community.

In the Quality of Life Foundation's report, 57.8% of survey respondents from the wider community near BTR schemes had taken part in events and/or initiatives at BTR developments. In most cases, residents attributed a greater sense of cohesion to both the activities and events held throughout the years, and the organising done by staff to ensure that the programming of events happens. Amenities provided by developments such as cafes, restaurants and gyms, in addition to other amenities nearby, were all attributed to creating a greater sense of community.

Additionally, 65.6% of respondents from the wider community felt the developments had made it easier to walk and cycle around their area. The high quality of BTR schemes, combined with their commitment to long-term professional management, helps to ensure that local spaces are well-maintained, more accessible and feel safer to navigate.

Greystar Greenford Quay, West London

Greenford Quay is an extensive 20-acre, waterside regeneration project by Greystar in West London's Borough of Ealing, situated along the Grand Union Canal.



The full scheme includes a two-form-entry primary school, NHS health centre, supermarket, nursery, retail, canalside landscapes and community amenities - all designed to revitalise the formerly derelict industrial site that was once home to GlaxoSmithKline and Sunblest Bakery.

The masterplan ultimately delivers 2,118 homes across seven residential buildings, of which approximately 75% (about 1,439 units) are BTR apartments, while 526 units are for private sale. Additionally, around 647 (circa 30%) of the homes are set aside for affordable tenures, including discount market rent and shared ownership.

Innovative modular construction methods, developed in partnership with Tide Construction, enabled the building modules to be fabricated off-site and slotted in, reducing embodied carbon by over 40% - cutting traffic, waste and programme time significantly.

The public realm at Greenford Quay has significantly improved residents' perceptions of health and wellbeing, with satisfaction levels above national averages, likely due to the development's green spaces, amenities and events. Since 2022, a variety of community events, including film screenings and seasonal celebrations, have helped foster cohesion between new residents and the wider community.



The development has also enhanced local infrastructure, adding 234 bike parking spaces and nearly 400 new trees suited to the landscape. Once complete, it will include around 2,630m² of play space for children of all ages, further boosting quality of life for residents.



How the Government can unlock these additional homes



To fully leverage BTR as a driver of regeneration, Government must enable the sector through a coordinated, supportive environment. This includes both housing-specific policies and broader economic enablers. BTR operators and investors are long-term thinkers who value stability and certainty, and are increasingly concerned about viability pressures arising from fiscal and regulatory changes.

Development viability is in crisis. Projects that were viable five years ago now struggle to secure funding, particularly high-density, high-rise and mixed-use schemes. This is compounded by regulatory delays, rising costs and cumulative tax changes. Viability underpins housebuilding, regeneration and economic growth, yet uncertainty and upfront costs are holding back investment.

To unlock more homes, Government must focus on stabilising the fiscal and regulatory environment, reducing planning delays and targeting support where viability is most challenged to enable BTR and other developments to deliver at scale.

RE:UK has outlined several areas in which adjustments could significantly accelerate the regeneration of homes and places via BTR.

1. Tax and regulatory stability must be prioritised

To reduce investment risk, we need to preserve stability and certainty by minimising changes to the rules and avoiding the introduction of new taxes and levies, as well as changes to existing ones. Where change is unavoidable, Government should consult early with impacted stakeholders and provide certainty through guidance and clearances as quickly as possible to ease disruption and minimise uncertainty.

For example, regarding recent changes introduced by the Renters' Rights Act, Government must help ease the disruption by ensuring the courts are sufficiently resourced to avoid huge backlogs in rent appeals and repossession cases – this is critical to ensure the rental market operates smoothly and efficiently.

2. Speed up the planning and development process

The Government's focus on speeding up the planning system is welcome, but delays continue to increase development costs and disincentivise investment. To ensure capital can be deployed without delay, the Government can go further by:

- Addressing regulator delays - regulators and statutory consultees, like the Building Safety Regulator, must clear backlogs and meet their statutory deadlines. Guidance and expectations must be simple and clear.
- Boosting planning resources - an estimated 3,000 additional planners are needed to increase the capacity of local authority planning teams. The use of technology should also be supported to speed up the process and free up planners for more complex cases.
- Balancing local plans - while aspirational local plans are a good thing (for example, local authorities setting more ambitious targets for affordable housing contributions), they must be balanced, realistic and deliverable policies. Targets should reflect the practical capacity of land, infrastructure and the market to ensure developments can be delivered - avoiding delays or making projects unviable.

3. Reintroduce SDLT support

Stamp Duty Land Tax (SDLT) is widely regarded as a damaging tax as it reduces liquidity and prevents assets from changing hands at different stages in a property's lifecycle. SDLT also reduces the valuation of a fully developed asset, which has a significant impact on viability of new development, particularly in low-value areas, like brownfield regeneration sites.

Multiple Dwellings Relief (MDR) allowed for the appropriate rate of SDLT to apply based on the average price of a home in a large-scale residential development. This supported BTR development viability in lower-value areas, including brownfield land and regeneration sites, and was regarded as a key catalyst for the BTR sector outside of London over the last decade. The abolition of MDR in 2024 eroded the valuation of the BTR asset class, which in turn has hampered viability in the sector, and particularly hampered BTR housing viability in all but our largest cities.

We recommend that SDLT support is reinstated for large-scale residential housing transactions, like BTR. The tax system should be actively encouraging higher-density housing developments that are rolled out quickly - not penalising them.

4. Minimise other up-front costs and additional developer contributions

Developer contributions (such as CIL, Section 106, the Building Safety Levy and Biodiversity Net Gain) are all up-front costs. As with Stamp Duty Land Tax (SDLT), these upfront costs are the most damaging for viability in areas with lower land values, because the value of the land is less able to absorb these costs. It also adds delays and uncertainty in the planning and development process. In order to avoid an inadvertent impact on development viability, and avoid further complexity in the planning process, we recommend:

- New 'levies' or upfront costs on development should be avoided. Where new levies are unavoidable, carve-outs should be considered for low-value areas.
- Support high-density housing development. A tax borne by each home (such as SDLT and the Building Safety Levy) means that higher-density developments will typically pay more tax for the same size plot of land, than low-density schemes - which disproportionately impacts viability of high-density developments.

5. Remove Council Tax on empty units

Council Tax on empty units adds significant cost and risk for large-scale developments. Even with build-out rates 30-60% faster than other housing models, as well as fast occupancy take-up, large schemes can still have vacant units for several months.

Removing Council Tax on empty units would reduce upfront costs of a development, which would significantly support viability and not disincentivise faster build out rates and higher-density construction.

6. Support innovation to boost productivity

PropTech has significant potential to address viability constraints throughout the development lifecycle, as well as improving energy efficiency and helping contribute to net zero targets. Digital planning platforms, automated compliance tools and other technologies can accelerate delivery and enhance certainty. However, this potential is currently blocked by systemic barriers, including outdated procurement frameworks and risk-averse institutional cultures. The Government should take action by:

- Supporting modular development - New Towns and large-scale projects can provide a valuable supply chain to kickstart the modular housing sector.
- Offering tax incentives - tax incentives, such as R&D tax credits, should adequately incentivise the trialling of new technologies and modern construction methods.
- Providing regulatory clarity - HMRC and other regulators must provide early policy clarity on new technologies. For example, clarifying the VAT recovery on modular homes would reduce uncertainty.



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