

At the Communities, Equality and Local Government Committee meeting on 17 July, the Committee received evidence from Royal Institution of Chartered Surveyors Wales, as part of its inquiry into barriers to home building in Wales. They agreed to provide the following information:

1. Approaches taken by utility companies to new housing developments and their relationship with building companies;

It can be difficult to get hold of the right person at any of the utility companies particularly with the smaller suppliers of gas and electricity. The majority of utility companies can be difficult to deal with and make life for developers and building companies alike extremely difficult. Their lack of commerciality and contractual rigidity was some feedback to us suggested undoubtedly costing the construction industry a significant amount of money and lost productivity every year. It is felt regulators like OFWAT and OFGEM could be more pro active. There should be better transparency between the utility companies and the industry. At present costs associated with hydraulic surveys, section agreements, and physical works are often submitted by the utility company with little or no breakdown. Utility companies should act on a commercial basis but be transparent in their social responsibility and integrity.

2. Whether smaller developers are at a disadvantage when compared with higher volume national house builders and whether National Planning Policy puts small and medium size developers at a disadvantage;

Some companies can make life extremely difficult, as for example one phone company will not connect a landline to a new property without a customer (i.e. an ongoing occupier) to sign up to an account and it is this sort of inflexibility that can occasionally put small scale developers at a disadvantage. However small sites are obviously generally less economic to larger house builders (with their required profit margins), but if self build opportunities were encouraged and more widely communicated by local authorities then self builders and self build groups may greatly aid the viability, and hence the exploitation, of small sites. RICS Wales would like to see the new Wales Planning Act next year contain a provision to encourage Local Authorities to facilitate self build opportunities and small scale projects generally.

3. Further information on land banking and its impact on smaller building companies; Examples of off-site contributions.

It is felt financial contributions requested by utilities can often be disproportionate in relation to the project in question.

4 Other comments:

We would like to bring to the Committees attention the following RICS report <http://www.rics.org/Global/RICS%20Housing%20Commission%20Report%20-%20June%202013.pdf> It is an extensive RICS Housing Commission report that while UK wide in our view holds significant value for Wales as well.