

# How to venture forward

Recent announcements regarding November's budget have got many businesses asking how they can prepare for the new year and, at the same time, take full advantage of the Chancellor's announcements. To help readers get to grips with the answers, Andrew Scott has provided us with a five-part breakdown of the budget, what it will mean for construction companies, and how to prepare for the future

Arguably the foundation of the construction industry, the issue of housing was extremely pressing for many businesses in the run-up to the budget. However, many will have been pleased by the government's intention to increase the annual housebuilding target to 300,000. To achieve this figure, a new housing support fund of £15.6bn has been launched, taking the total housing budget to £44bn.

Furthermore, the decision to abolish stamp duty for first-time buyers could spark an increase in the demand for smaller, affordable homes and create more opportunities for home improvement companies.

The government's new initiatives could mean an increase in the number of contracts available to construction companies. As a result, it is important that businesses increase their visibility. Social media, email marketing, PR and direct mail can all help build your brand, raise awareness of your business's values, and position your company as a thought leader.

## Empty homes

According to government figures, more than 200,000 homes in the UK were empty for at least six months in 2016 and the Chancellor of the Exchequer Philip Hammond has suggested that the conversion of empty homes will become a priority in 2018.

Local councils will be given the authority to charge 100% council tax on properties which have remained empty and unfurnished for at least two years.

For the construction industry, specifically home improvement companies, this could mean a spike in business and increased competition for renovation contracts. Indeed, Hammond also stated that £400m is to be invested in the restoration of housing estates around the UK.

## New developments

The Chancellor also stated that investigations could be carried out into the gap between the number of planning permissions granted and the number of housing projects started. If developers are found to be land-banking this could result in the implementation of compulsory purchase orders.

Compulsory purchase orders would free up space for even more new developments. At present, £1.2bn of the £44bn housing budget is reserved specifically for the purchase of land.

With the construction of new housing estates comes a need for products – windows, doors, hardware – as well as services from project managers, installers, and architects.

## Transport

Hammond announced that £1.7bn has been set aside to fund city region transport. The budget also included

money to fund an expressway road between Oxford and Cambridge.

In addition to the £1.5bn fund already given to the Midlands, the area will also receive an extra £6m towards motorway and rail projects, and £392m towards bettering transport links.

By improving the accessibility of these regions, the government is providing opportunities for work on the projects and in the regions themselves. Indeed, new transport links could create a demand for hotels, service stations, car parks, or homes which will need to be met by UK companies.

By appearing in trade magazines through strategic PR, for example, you can share details of your experience, case studies of your work, and your company's success. This will help keep you at the forefront of consideration for contracts that may arise from the new budget allocations.

## Talent pools

A further issue addressed by the budget is the problem of the UK's diminishing talent pools.

While the Chancellor has laid out plans to increase the number of students taking STEM subjects – driving more towards careers in engineering – or on construction training courses, it is uncertain how effective these measures will be.

At present, around 8% of the construction sector's workforce comes from the EU and, in post-Brexit Britain, there is a chance that some of these workers will not stay in the UK for an extended period of time.

In order to reinforce your business during this skills shortage, you must position it as an attractive place to work, appealing to resident workers and helping build up talent pools. Indeed, by promoting your corporate responsibility, innovative products, or the importance of your service through marketing, you can grow your business and support the industry at the same time. □



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