



The Autumn Budget and the Built Environment

Dec 2025



AGENDA

- ▶ Setting the scene: what was the backdrop to the Budget?
- ▶ What was in the Budget?
- ▶ Our assessment of what they did, and didn't do
- ▶ Summary of impact
- ▶ Your questions

SETTING THE SCENE

- ▶ Shambolic or cunning plan?
- ▶ Tax and spend
- ▶ For stability and/or survival, but not for growth?

SETTING THE SCENE

**Consumer Price
Index (CPI)**

3.6%

(October 2025)

**Gross Domestic
Product (GDP)**

0.1%

(3Q2025 compared with 2Q2025)

Bank Rate

4%

(November 2025)

Construction Output

0.1%

(3Q2025 compared with 2Q2025)

**BCIS General Building Cost
Index (GBCI)**

1.5%

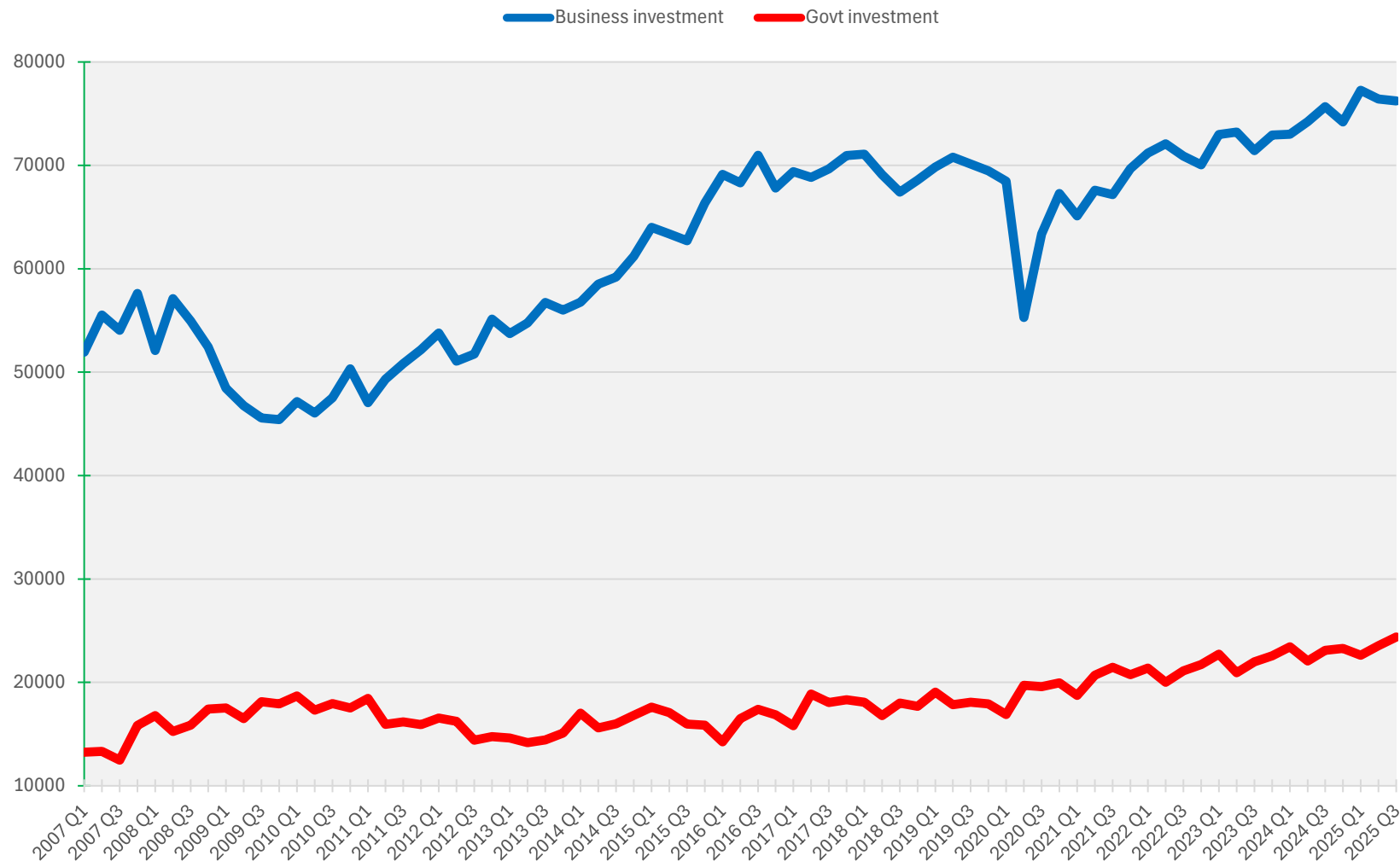
(3Q2025 compared with 2Q2025)

**BCIS Tender Price
Index (TPI)**

0.7%

(3Q2025 compared with 2Q2025)

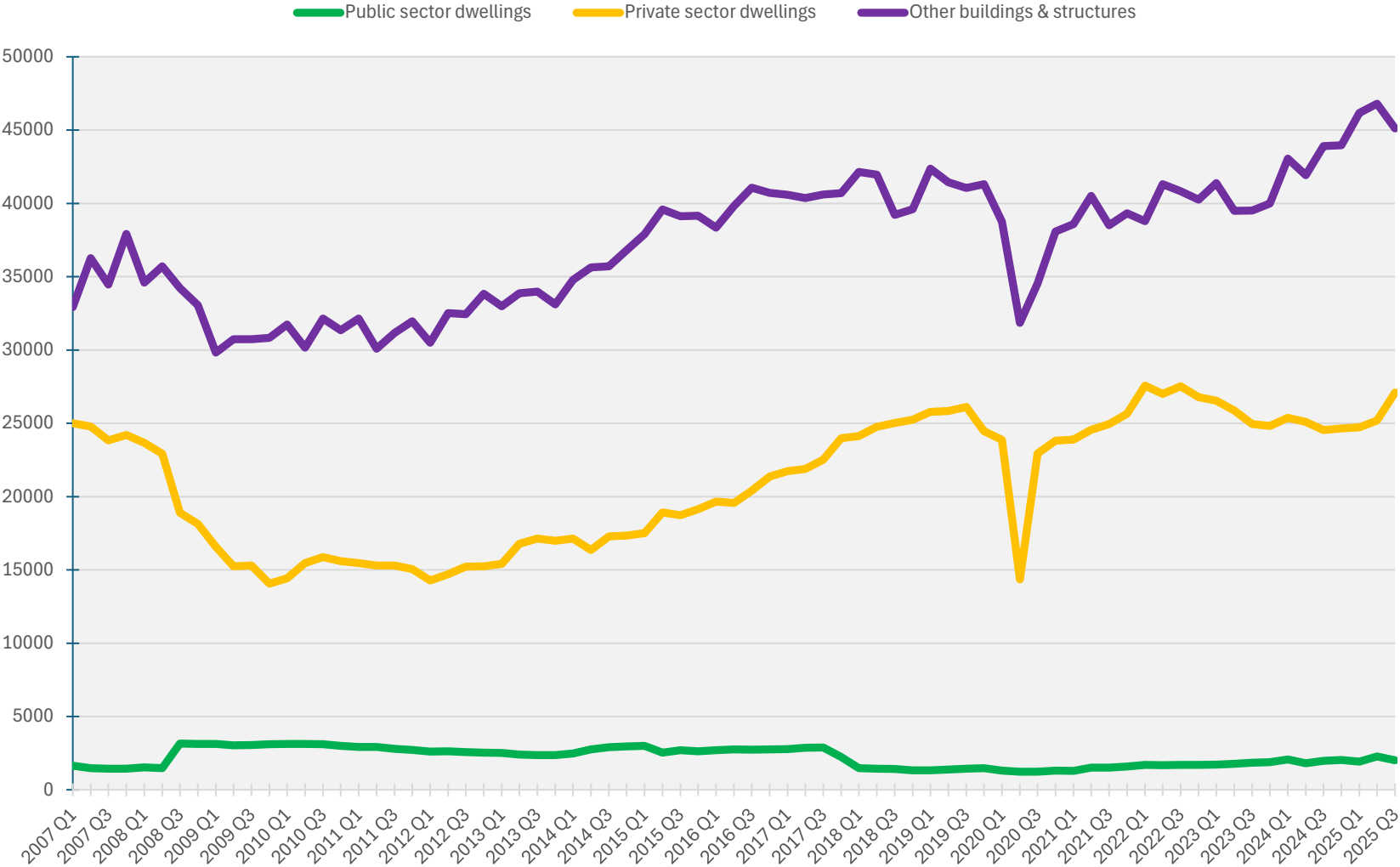
GFCF, value of investment in fixed assets (ONS, 2025; £million)



Gross fixed capital formation

Government investment increasing, business investment decreasing. Businesses impacted by uncertainty over the Budget outcome

GFCF, value of investment in built assets (ONS, 2025; £million)



Construction output is a response to levels of investment in built assets. Data suggest private housing may be recovering

WHAT'S HAPPENED?

Key construction-relevant measures announced in the 2025 Autumn Budget:

- OBR growth forecast increased to 1.5% in 2025. Growth estimates for 2026 to 2030 downgraded
- National Living Wage and National Minimum Wage
- Secondary threshold for employer NI contributions
- Tax-free employee pension contributions
- Free training for apprentices under 25 for SMEs
- £13 billion for 7 mayoral strategic authorities
- £891 million capital funding for Lower Thames Crossing
- New model of public-private partnerships
- Commitment to Spending Review infrastructure and housing funding
- Recommendations for nuclear regulation reform
- £48 million for planning capacity, including 350 extra planners
- Converging of landfill tax rates paused

TIME FOR A POLL

In your opinion...

Has the Autumn Budget made it easier or harder to plan and price/cost work over the next 12 months?

Or not made any difference at all?



KEY AREAS FOR GOVERNMENT ACTION

1. Action on business costs

2. Pressure on resources and supply chain costs

3. Measures to improve access to finance

4. Planning capacity and decision timelines

5. Infrastructure commitments and pipeline visibility

6. Support for boosting housing delivery

7. Future Homes Standard and Future Buildings Standard

8. Signals on whole life carbon and support for low-carbon materials

COST OF DOING BUSINESS

1. Action on business costs

2. Pressure on resources and supply chain costs

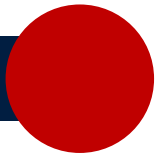
COST OF DOING BUSINESS

1. Action on business costs

What we hoped for: Relief from rising taxes and regulatory pressures, particularly for SMEs.

What we got: Business costs continuing to rise, increasing inflationary pressure and squeezing margins.

VERDICT:



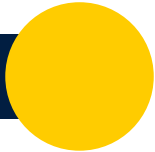
COST OF DOING BUSINESS

2. Pressure on resources and supply chain costs

What we hoped for: Short-term measures to relieve labour bottlenecks.

What we got: Some support, but not enough to shift the fundamentals.

VERDICT:



INVESTMENT, PLANNING AND PIPELINES

3. Measures to improve access to finance

4. Planning capacity and decision timelines

5. Infrastructure commitments and pipeline visibility

INVESTMENT, PLANNING AND PIPELINES

3. Measures to improve access to finance

What we hoped for: Clearer private finance mechanisms and funding models to unlock stalled projects.

What we got: Very little. Financing constraints remain a key barrier to delivery.

VERDICT:



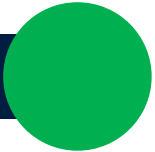
INVESTMENT, PLANNING AND PIPELINES

4. Planning capacity and decision timelines

What we hoped for: Investment in planning capacity to help alleviate delays.

What we got: A meaningful step forward, but implementation will take time.

VERDICT:



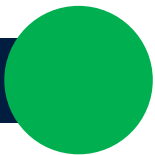
INVESTMENT, PLANNING AND PIPELINES

5. Infrastructure commitments and pipeline visibility

What we hoped for: Stronger funding timetables and clearer investment signals.

What we got: Some clarity, though the overall pipeline remains on the opaque side. LTC funding welcome.

VERDICT:



HOUSING, STANDARDS AND CARBON

6. Support for boosting housing delivery

7. Future Homes Standard and Future Buildings Standard

8. Signals on whole life carbon and support for low-carbon materials

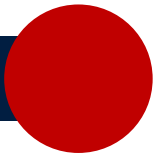
HOUSING, STANDARDS AND CARBON

6. Support for boosting housing delivery

What we hoped for: Demand-side support or viability measures to help reverse declining growth in net additions.

What we got: Almost nothing new, though extra funding for planners is welcome, but not enough to make any difference.

VERDICT:



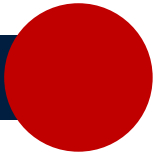
HOUSING, STANDARDS AND CARBON

7. Future Homes Standard and Future Buildings Standard

What we hoped for: Clarity on timing and transitional arrangements.

What we got: No mention of either.

VERDICT:

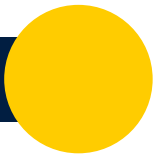


8. Signals on whole life carbon and support for low-carbon materials

What we hoped for: Direction of travel toward whole life carbon measuring and reporting, and support for low-carbon manufacturing.

What we got: A welcome decision on landfill tax, but no strategic movement on carbon.

VERDICT:



KEY AREAS FOR GOVERNMENT ACTION

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TIME FOR A POLL... AGAIN

In your opinion...

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Britain appears to be in a fiscal doom loop with increases in taxes to plug the deficit having the effect of depressing growth and government revenues. How can we escape this cycle?

Are house prices still going up despite pressure on housebuilder margins caused by levies?

What financial impact have the troubles (skills shortage, changing rules) within the Building Control profession to meet the demands of the industry had?

SUMMARY

- ▶ Not really a Budget for growth...
- ▶ Spending Review
- ▶ Costs to do business likely to be inflationary
- ▶ Our panels post-Budget suggest output growth could flatline next year, although...
- ▶ Growth prospects in both public housing and public non-housing

SUMMARY

- ▶ Operating in the post-Budget environment
- ▶ ‘Wait and see’ can’t wait forever
- ▶ Greater discipline with forecasting, stress-testing budgets, transparent conversations
- ▶ Early engagement, clarity around assumptions, flag uncertainties
- ▶ Avoid overexposure
- ▶ Transparency, collaboration and realism
- ▶ Rely on DATA, not HEADLINES in this 24-hour news cycle

QUESTIONS



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