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John Griffiths MS Local Government and Housing Committee Welsh Parliament Cardiff Bay Cardiff CF99 1SN

By email: John.Griffiths@senedd.wales

21st July 2021

Dear Mr Griffiths,

Congratulations from NHBC

On behalf of NHBC, I would like to congratulate you on your re-election as Chair of the Local Government and Housing Committee. As NHBC's new Regional Director for Wales, I would welcome a meeting in the near future to discuss the upcoming work of the committee and how we can support it.

As you will be aware, NHBC has tried to support the work of the Equality, Local Government and Communities Committee in the fifth Senedd on a host of issues within the housing sector, including building safety, climate change, modern methods of construction, affordable housing and increasing the rate of housebuilding.

As the UK's largest new home warranty provider and single building control body, we want to continue to share our experience, expertise and knowledge on these issues so that they can meet our shared goals for higher quality homes in Wales.

NHBC's core purpose is to build confidence in the construction quality of new homes, and we have a dedicated service to provide this for innovative homes. I would be particularly interested in discussing with you *NHBC Accepts*, which helps increase the adoption of innovative Modern Methods of Construction (MMC), while also maintaining confidence that both the components and completed homes are built to the highest standards. I have attached a briefing on NHBC Accepts and the success we have had since its launch last year.

I would be delighted to discuss this in more detail with you. If you would like to arrange a meeting or if NHBC can be of any assistance, please contact my colleague Thomas Stevenson

I wish you the very best luck in your new role and look forward to our productive working relationship.

Yours sincerely,

Luke Carter MCIOB

Regional Director West & Wales

NHBC Accepts - 12 months on

Supporting innovative construction in housebuilding



NHBC has been a longstanding supporter of innovation in housebuilding for decades. NHBC Accepts is an end-to-end service that enables high-quality Modern Methods of Construction (MMC) to be fast-tracked for NHBC's leading warranty, Buildmark and in July 2021 the service celebrates its first anniversary.

Building confidence in MMC

- NHBC Accepts helps to build confidence in MMC.
 When a system has been accepted, builders, homeowners, lenders, and local authorities can be reassured it can meet the standards of NHBC's leading 10-year Buildmark warranty.
- NHBC Accepts actively assesses the quality of construction both off-site and on-site to verify it is able to be accepted onto Buildmark.
- This is not solely an assessment process. NHBC will also actively work with the manufacturer to improve their product so that it can be accepted, and post-acceptance, continually improved.
- Our ambitions are to continue to expand the number of accepted systems so that more MMC can be used in housebuilding to increase housing supply while retaining high construction quality.

Asset owner (HA/BtR)

Confidence in quality, long-term durability, and traceability

Manufacturers

Improved product, demonstrating rigour of assessment

Builder/ developer

De-risk process by having issues reviewed and resolved before site start

NHBC Accepts accreditation service gives us confidence that quality standards are delivered consistently for homeowners.

Andy Mason, Head of Residential at Lloyds Banking

Building confidence in MMC across the sector

NHBC Accepts is a step forward that sees the UK market leader in warranty and insurance for new homes making its commitment to high quality modern methods of construction clear.

Mark Farmer, UK Government Champion for MMC

Finance backers and lenders such as Nationwide, Lloyds and Barclays

Transparency in process and standards - due diligence

Industry bodies and influencers

Extensive market data covering 70%-80% of new homes: construction method, construction quality, claims experience

Homeowner

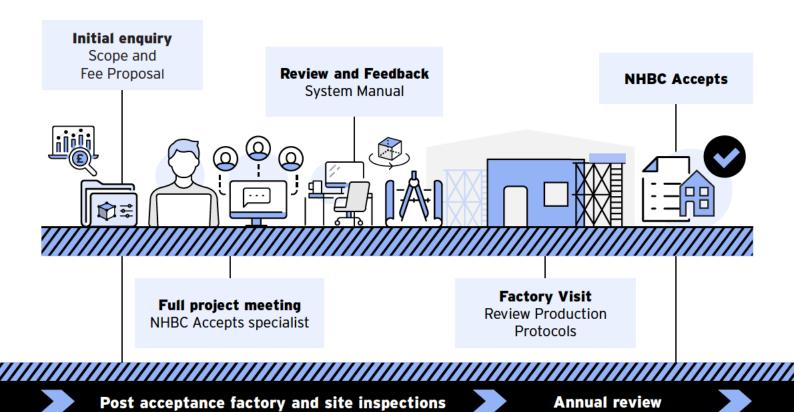
Extensive inspections both offsite and onsite, supported with Buildmark warranty

NHBC is seen as the 'gold standard'
for warranties on traditionally built homes.
The introduction of NHBC Accepts accreditation is a
hugely important step for us in our due diligence, and
will be vitally important in putting MMC homes on a
level playing field with traditionally built homes.

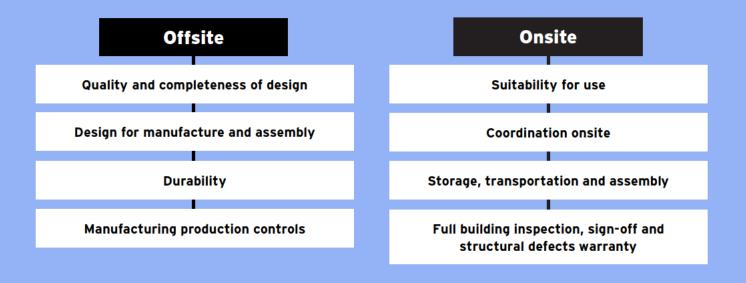
Richard Petty, Valuation Advisory - Head of UK Living, JLL

NHBC Accepts - the manufacturer's journey

NHBC Accepts undertakes detailed and robust technical reviews at key stages to accept an MMC system. The following is a high-level summary of what a manufacturer experiences when putting its system forward to NHBC Accepts.



Key risks assessed when reviewing MMC



NHBC Accepts - Results from the past 12 months

28

systems accepted by NHBC Accepts 48

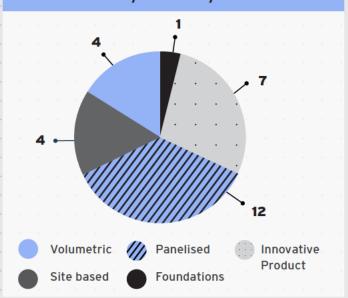
systems under review by NHBC Accepts

34%

increase in MMC plots registered for the 12 months to June 2021 5,406

new homes being built with MMC registered by NHBC in the past 12 months

NHBC Accepts has accepted a wide variety of MMC systems



Case studies



Type of MMC

Factory assembled light steel frame volumetric units to provide a range of standard house types.

NHBC Accepts outcome:

ilke Homes became the first offsite manufacturer to achieve accreditation under NHBC Accepts. ilke Homes also receives regular feedback as part of NHBC's Construction Quality Review process to allow them continually to improve and benchmark within the market.

What they say:

NHBC Accepts means that we now have the opportunity to discuss the requirements of the business so we can fully scope out the works, set a programme and agree a cost for our service. Our homes are also backed by some of the UK's biggest financial providers and the NHBC Accepts scheme helps provide added assurance.

Dave Sheridan, Executive Chairman, ilke Homes



Type of MMC

Volumetric timber frame system for apartment blocks of between 2 - 4 storeys.

NHBC Accepts outcome:

BoKlok, jointly-owned by IKEA and Skanska, had to submit detailed and robust technical information to be accepted which was comprehensively reviewed by the NHBC team against our robust standards. The system was reviewed in just 67 days and the first site is registered with NHBC and under construction in Bristol for 98 homes.

What they say:

We are very pleased to have been given a seal of approval for NHBC Accepts. We hope that this additional accreditation will provide further confidence in our home development to our customers and the wider industry.

Noel Sheehan, Housing Director, BoKlok

For more information on NHBC Accepts, please contact **Lewis Sidnick, Director of Corporate Affairs**, at



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