

# RIBA Response

## Treasury Select Committee - Inquiry on the Government's response to coronavirus

The Royal Institute of British Architects champions better buildings, stronger communities and higher environmental standards through the practice of architecture and our 40,000 members. We provide the standards, training, support and recognition that put our members – in the UK and overseas – at the peak of their profession. With government and our partners, we work to improve the design quality of public buildings, new homes and new communities.

1. Architecture directly contributes £4.8 billion to the UK economy every year with a further £1 billion a year embedded in the exports of the other industries it supports. The sector is predominantly small and medium-sized with 69% of practices employing nine people or less and 94% of practice employing less than 50 people. Because of this, and because of its adjacency to the construction sector, it is particularly susceptible to economic uncertainty and recession. These practices can be found across the country.
2. The RIBA has welcomed recent announcements which outline ongoing support for businesses and employees, and we await further details on some of these schemes such as the Coronavirus Job Retention Scheme.
3. We are clear that, in such unprecedented times, we need to ensure that we can keep the UK's architecture sector delivering. As such, we have made the following recommendations to UK Government to ensure the sector can survive through this crisis:
  - Supporting businesses to preserve cash flow
  - Keeping the planning/development process operable
  - Ensuring construction sites stay open and projects continue to progress in a manner that keeps people safe
4. We are in the process of consulting our members on what additional support the Government could provide and will share this information with your Committee in due course.

## **5. Preserving cash flow**

For many of our members, cash flow concerns are the most pressing and immediate sources of concern. We hope that the Treasury will be open to considering a range of measures that allow businesses to prioritise their day-to-day financial transactions. We anticipate that without urgent assistance, many practices will be forced to lay off staff within weeks.

The RIBA recommends:

- The immediate deferral of PAYE, VAT and business rate payments to strengthen balance sheets;
- The reduction or removal of VAT surcharges and interest on late payments or a payment plan option, again without additional charges;
- Clear guidance on how to access loans and the timescales for how long they can expect to wait for decisions and funds to provide certainty for owners and staff;
- Support for staff and employers affected by short-term cashflow issues including greater support for short-time working;
- Faster payment terms and direct payment to subcontractors on public contracts, reflecting the fact that government is itself a major client in the construction sector;
- A government backed low/no cost factoring facility for private contracts to help stabilise wider uncertainty in the market;
- Capital allowance increases to allow companies to invest immediately in the technology required to facilitate a transition from office to home working.

## **6. Keeping the planning/development control process operable**

While we recognise that the planning and development control system will not be a primary priority for local authorities at this time, its continued operation is of vital importance. The ability of local authorities to carry out their duties while protecting the health and safety of their staff and local communities will require additional support and flexibility from the Treasury.

The RIBA recommends:

- Additional short and medium term funding to cover staff absences or redeployment to maintain operating capacity within planning departments;
- A temporary relaxation of time limits for planning applications to allow local authorities to prioritise cases to reflect health and safety considerations and the nature of requests;
- Waivers to allow the deferral of requirements for information if planning officers judge a request to be of low or no impact;
- Greater flexibility around the operation and submission of evidence to planning committees.

## **7. Ensuring construction sites stay open and projects continue to progress**

The continued ability of the construction sector to work on site is vitally important. Access to materials and labour, whilst maintaining safe working conditions must be a priority.

The RIBA recommends:

- Customs clearance processes continue to operate effectively and that the understandable prioritization of essential medical and food supplies must not lead to delays elsewhere;
- Inclusion of construction product suppliers within any essential businesses categories if closures of retail units are considered