

Industry insights

Home working – is it here to stay?

Dedicated home offices become part of the new norm

Working from home every day may now seem normal to many. The early days of using the kitchen or spare bedroom as a make shift work area are now a distant memory as many have created a dedicated office space, or looking to do so, to more effectively meet the challenges of working from home. Residential extensions, funded through a standard mortgage or a specialist self-build product, are becoming part of the 'new norm', providing an ongoing business development opportunity for brokers. Harpenden provides mortgages for projects costing in excess of £75K for more significant home office projects – we've never seen such interest as we have in the last year for this type of development and predict this to continue.

BUSINESSES ARE CHANGING

As the pandemic recedes, some companies will say goodbye to large, centrally located office space, once the home to corporate life. According to the Guardian, Banking group HSBC revealed in Q1 that it was taking advantage of the booming popularity of home working by cutting its global office space by 40%.

During this pandemic, businesses, both large and small, have successfully embraced new working practices, adopting a flexible blend of remote and hub style working. Significant advances in technology and its adoption have enabled effective home working. Employees benefit from increased flexibility; lack of commute and employers benefit through reduced costs; a decreased carbon footprint; happy employees, to name just a few.

THE FUTURE

Times are changing with businesses throughout the UK, planning their next operational move to new, more permanent working arrangements as the vaccine rolls out and infection rates begin to drop. For the moment many continue to work in the same 'working from home' manner but in the coming months and beyond, following close consultation relating to safe working and the latest government guidelines, businesses will either return to the office, continue to embrace a working from home led environment, or perhaps more likely, adopt a mixture of both. Whatever the outcome, home working has become an accepted part of regular working practice and is relatively easy to accommodate.

Tony Claytor, a Non-Executive Director from Hertford, close to where our Society is based told us about his own experiences developing his own, 'perfect', home working environment:

"Constructing a home office outbuilding at the end of my garden has been life changing. My office is timber built with a power supply and broadband connection. It was ordered and built in the early months of the pandemic – lockdown really showed me how much I needed to create an additional, dedicated working space. Many examples I've seen combine an office with a leisure area, for me it was more about creating the best possible home working environment with added storage space to house years of filing which I need to keep.



THE FUTURE - CONTINUED

Although I got a specialist firm to do the construction I was able to project manage many of the finer points from my house a matter of metres away. I can see how some would undertake a self-build project, it would be a great way to potentially save money and be able to oversee operations, particularly if you didn't move out during building works. Some key points I'd pass on to anyone considering this type of construction would be:

- secure financing from a specialist lender if you're not paying for the project outright;
- be really thorough about gaining the right planning permissions from your council;
- keep your neighbours up to speed with your plans, even if permissions aren't required;
- look at heating / air conditioning and furnishing options well in advance so you're ready to go from day one of completion;
- and of course consider your insurance options, your needs may change if expensive office equipment is housed away from the main property.

There are many more but these are points that could easily be overlooked at the critical moment.

With so many now working from home, and to some degree will continue to do so, I can only see that construction of home offices will increase in popularity."

SELF-BUILD OPTIONS

Some go down a standard mortgage route to expand living space and home office development but others are looking at self-build solutions and need a mortgage provider experienced in this area, like ourselves.

Self-build is a growing segment of the market, with its potential to save costs and create a more personalised outcome. We continue to be on hand to support customers with our expertise and solutions in this specialist area of financing.

Like all of our mortgage products we undertake personal underwriting taking an individual approach to assessing each mortgage application, however complex. If you are looking at a self-build option for a customer, whether it's for a home office extension or a complete new self-build housing project – reach out to a specialist lender who can guide you through the opportunities that lie ahead.

When it comes to home working, it looks as though it's here to stay. A specialist lender will be able to support you with a range of standard and self-build mortgage opportunities to enable you to fulfil customer demand for an improved, home working environment.



Craig Middleton

Craig Middleton, Mortgage Sales & Distribution Manager,
Harpenden Building Society



We individually assess and approach applications.



We offer a manual underwriting process, no credit score involved.



A flexible view on merits of all cases - we're very accommodating.



We provide clear, fair and transparent charges for all cases.



Many types of income are considered when assessing affordability.

Sources

<https://www.theguardian.com/business/2021/feb/27/out-of-office-what-the-homeworking-revolution-means-for-our-cities>



www.harpendenbs.co.uk