

Vistry sees profit dip as it sets aside cash for post-Grenfell safety upgrades

Housebuilder Vistry has said that profit dropped by more than a fifth last year as it set aside cash to make buildings fire safe in the wake of the 2017 [Grenfell](#) fire.

The builder said it had set aside £97 million during the year, helping to push down pre-tax profit by 22.5% to £247.5 million.

Stripping out one-off costs, adjusted pre-tax profit hit £418.4 million, up 20.9% on the year before. Vistry said it expects adjusted pre-tax profit to rise to around £440 million this year.

The group is committed to playing its part in delivering a lasting industry solution to fire safety and its strong view remains that the costs of remediation should not be borne by leaseholders

Earlier this month the housebuilder signed a contract with the [Government](#) which will force it to fix any unsafe buildings over a certain height that it put up over the last 30 years.

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The contract – which has been signed by other housebuilders – came in the wake of the [Grenfell Tower](#) fire six years ago, which killed more than 70 people.

“The group is committed to playing its part in delivering a lasting industry solution to fire safety and its strong view remains that the costs of remediation should not be borne by leaseholders,” Vistry said.

It has identified 304 buildings which qualify for remediation works. It has completed work on 59 of these and is working on 30 at the moment.

The business said that it is “engaged in the remediation process” on 188 of the buildings, but has yet to start work on 27.

Vistry said that the tie-up with [Countryside](#) had been going well and it now expects to make around £60 million worth of synergies – that is money saved when two companies operate more efficiently when combined.

The combination of the two businesses was completed in November last year, so Countryside had only a minimal impact on Vistry’s annual results.

“2022 was another landmark year for the group as we delivered a step up in financial performance and made excellent progress across all areas despite the more challenging market conditions experienced in the fourth quarter,” said chief executive Greg Fitzgerald.

“The combination with Countryside presents a unique opportunity and has created one of the country’s leading homebuilders, comprising a leading partnerships business and a

high quality major housebuilder.

“It has accelerated the group’s strategy of rapidly growing its more resilient partnerships revenues and of targeting sector-leading return on capital employed.”

Revenue rose 13% to £2.7 billion while completions increased 8% to 11,951.