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By email only: buildout@communities.gov.uk

7 July 2025

Dear Sir/Madam,

RE: Planning Reform Working Paper: Speeding Up Build Out and Implementing Measures to Improve Build Out Transparency: Technical Consultation

I am writing on behalf of the London Property Alliance CPA/WPA ("LPA") to respond to the consultations on the planning reform working paper on speeding up build out and the technical consultation on implementing measures to improve build out transparency ("the consultations"). Given the crossover between the consultations and their cumulative impacts, one single response has been submitted for both consultations. This has been submitted under separate cover to both consultations.

The LPA is a not-for-profit membership body and advocacy group representing more than 300 of the leading owners, investors, professional advisors and developers of real estate operating in the Cities of London and Westminster, via our respective associations City Property Association ("CPA") and Westminster Property Association ("WPA"). The LPA provides a unified voice for the real estate sector across London's Central Activities Zone (CAZ). You can see a full list of our members for our respective bodies [here](#) and [here](#).

London continues to suffer from an acute shortage of homes which not only has a direct impact on living standards but also the capital's ability to drive economic growth. London's lack of affordable housing undermines the provision of key services such as health, education and welfare that help to create the right conditions for growth. We therefore support the Government's aspirations to increase housing delivery but this can only be achieved by putting in place a positive, streamlined planning framework that incentivises the delivery of homes across all types and tenures.

Our research by Arup, *Good Growth in Central London* (2024)¹, advocates for a 'balanced growth' scenario for the CAZ+, supported by flexible planning and growth policies. This research finds that a balanced growth approach could deliver **50,700 new homes by 2045**, almost twice the number that could be delivered by a 'business as usual' approach. This is in addition to **£101bn of GVA**, **407,000 jobs** and £4.3bn in borough and mayoral CIL and Section 106 (S106) contributions.

The measures proposed by the Government in these consultations will disincentivise housing delivery and growth, contrary to its aims, making it increasingly unlikely the Government will achieve its target of delivering 1.5 million new homes by the end of this Parliament. This is for the following reasons:

1. **The proposals will encourage a more cautious approach to housebuilding, at a time when greater ambition is needed** – the potential administrative and financial penalties for 'slow build out' could have the perverse unintentional consequence of encouraging a much more cautious approach to build out programmes, rather than targeting ambitious programmes of delivery, slowing down the completion of new homes.

¹ [Good Growth in Central London](#), 2024, London Property Alliance

In dense urban environments such as central London, sites are complex, high-risk and often issues emerge as schemes are built out. This is a natural consequence of development in some of the most complex sites and locations in the country. Delivering specialist residential accommodation can also create additional challenges – for example, the delivery of PBSA for Higher Education institutions needs to be aligned with university and other HE provider needs. Optimising sites to their best potential (and delivering more units) is more complicated, and this complexity can result in unforeseen delays. Putting in place such a stringent framework around delivery does not allow for the flexibility needed for such sites to come forward.

The proposed penalties are also a disincentive to retrofit or conversion, hampering the sector's ability to repurpose buildings and deliver sustainable new homes. This is because the full details of the existing structure and condition cannot be known until construction begins.

2. **The proposals lack an understanding of significant market challenges facing the housebuilding industry** – we recognise and support the Government's urgency to deliver new homes, however, the barriers to delivering housing are often not under the control of developers. There are a range of issues which can affect delivery rates which are outside of a developer's control such as delays with the Building Safety Regulator and statutory consultees, legal and planning delays, challenges facing registered providers and their ability to take on new S106 schemes, lack of affordable housing grants and funding, access to capital, construction costs and inflation. We strongly suggest that the Government engage with the development industry on these market challenges to truly speed up housing delivery.
3. **The proposals will undermine confidence in the housebuilding market, which would reduce delivery** – there was nearly one-third fewer housing starts in the UK in 2024 than in 2019^{2,3}. Adding an additional burden to the sector will undermine confidence in the market and disincentivise investment – ultimately resulting in fewer homes.
4. **Reporting and monitoring will increase complexity and burden** – introducing a statutory build out reporting framework, such as build out statements, progress reports and other monitoring and reporting requirements will become a further burden to the planning and development process, which itself has significantly increased in cost and complexity. This makes development viability more difficult, which is already problematic in areas where it is costly to build and affordability is constrained.

In addition, the assessment of reporting frameworks will require additional local authority resource when planning capacity within local authorities is already constrained, exacerbating the issue. For applicants, the requirement would also make the submission of planning applications much more complex. At submission stage, it is not unusual for the exact details of how and when schemes will be built out to be unknown – there are many unknown variables, including the length of time it takes to secure a planning permission. Whilst there is a proposed route to amend reporting frameworks post-permission, this creates additional bureaucracy and uncertainty for both developers and local authorities. Making the amendment route a pre-commencement requirement, could, perversely, delay starts on sites.

As our *Good Growth in Central London*⁴ research shows, the route to delivering jobs and homes in central London is in bringing forward flexible planning policies which unlock growth. Our research compared three scenarios, which are outlined below:

² 191,440 dwellings started in 2019 compared to 132,460 dwellings started in 2024, a 30.8% decrease (source: Indicators of UK House Building: Permanent dwellings started and completed – Table 3a, ONS, 25 April 2025)

³ 153,000 dwellings started in 2019 compared to 107,530 dwellings started in 2024, a 30.8% decrease (source: Indicators of UK House Building: Permanent dwellings started and completed – Table 3b, ONS, 25 April 2025)

⁴ [Good Growth in Central London](#), 2024, London Property Alliance

Scenario	Approach to planning policies	Additional homes by 2045	Additional GVA by 2045 (£m)	Additional Jobs by 2045
Balanced Growth	Flexible policies which unlock growth	+50,700	+101,200	+407,200
Business as Usual	Continuation of current trends	+28,400	+55,900	+306,100
Checks on Growth	Limiting development of the area	+37,100	+7,600	-27,400

It is clear that adopting a pro-growth, flexible approach to planning policy will deliver greater homes, jobs and GVA. Since preparing this report, the Mayor's targets for housing growth have further increased, and so even more needs to be done to drive growth and accelerate housing delivery in the capital. Introducing more burdens, complexity and penalties into the planning system will decrease delivery, not increase it.

We are fully behind the Government's aspirations to increase housing delivery but strongly suggests that this is done **through measures to incentivise housing delivery, encourage ambition and support the housebuilding industry** rather than place an extra burden on an already complex system and enact penalties that will only serve as a disincentive. Putting in place **a positive, flexible and pro-growth planning system is the only way to increase housebuilding**. Such a framework must properly understand and address the significant challenges facing the sector.

We welcome the opportunity to respond to these consultations on behalf of our members. If you would like to discuss any aspect of this letter further, please do not hesitate to contact me.

Yours faithfully,



Charles Begley
 Chief Executive, London Property Alliance