

Press release

Housing targets increased to get Britain building again

The government has announced an overhaul of the planning system to fix the foundations and grow the economy.

From: **Ministry of Housing, Communities and Local Government**

(/government/organisations/ministry-of-housing-communities-local-government) and **The Rt Hon Angela Rayner MP (/government/people/angela-rayner)**

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- Government to fix the foundations with an overhaul of the planning system that will see new mandatory targets for councils
- Review of the greenbelt to identify 'grey belt' land and meet local housing needs, with 'golden rules' driving 50% delivery of affordable homes

- New system will ensure every area must have local housing plans - with government ready to take the tough decisions to step in if areas fall off track

An overhaul of the planning system has been announced today, as government sets out tough decisions necessary to fix the foundations and grow the economy.

All councils in England are to be given new, mandatory housing targets to pave the way to deliver 1.5 million more homes – tackling the most acute housing crisis in living memory.

The new targets will mean councils must boost housebuilding in areas most in need, helping more people buy their own homes, removing the largest barriers to economic growth, and getting Britain building again.

The new rules set out today will reverse the decision last year to water down housing targets, by making them explicitly advisory, at a time when planning permissions were at a record low. The new approach reflects the level of ambition necessary to tackle the housing crisis and meet the government's commitment to 1.5 million homes.

Supporting the government's number one mission to grow the economy across the country, these new targets will flow into the development of local plans. It is through local plans that communities have a say in the building of the homes and infrastructure we need.

Currently just a third of councils have a plan that is under five years old, which is why government will take the tough decisions and step in where needed to drive progress, ensuring local areas get a say on how, but not if, homes are built.

The Deputy Prime Minister has written to every council Leader and Chief Executive in England to make clear that there is “not just a professional responsibility but a moral obligation to see more homes built”, and that she will not hesitate to use her powers of intervention should it be necessary –

including taking over an authority's plan making directly.

Deputy Prime Minister, Angela Rayner said:

“Today marks a significant step to getting Britain building again.

“Our decisive reforms to the planning system correct the errors of the past and set us on our way to tackling the housing crisis, delivering 1.5 million homes for those who really need them.

“And something I am personally proud of, our new flexibilities for councils will boost the number of social and affordable homes, and give working families a better route to a secure home.”

In addition to restoring mandatory housing targets, the method used to calculate them, which relied on decade old data, will be updated. The new method will require councils to ensure homes are built in the right places and development is proportionate to the size of existing communities, while adding an extra level of ambition in the most unaffordable areas.

The first port of call for development will be brownfield land. Reforms announced today will make explicit that the default answer to brownfield development should be “yes” and promote homebuilding at greater densities in urban centers, like towns and cities.

To help deliver 1.5 million homes over the next five years, councils will have to review their green belt land if needed to meet their own target, identifying and prioritising ‘grey belt’ land, which the government has today set out a definition for. This includes land on the edge of existing settlements or roads, as well as old petrol stations and car parks.

The update will make clear the requirement for councils to consider the proximity of new homes to existing transport infrastructure.

Where local authorities do not have up-to-date plans in place or enable sufficient housing to come

forward to meet local targets, homebuilders can bring forward proposals on grey belt land. In all cases, land that is safeguarded for environmental reasons will continue to be protected.

Land released in the Green Belt will be subject to the government's 'golden rules', which make clear that development should deliver 50% affordable homes, increase access to green spaces and put the necessary infrastructure in place, such as schools and GP surgeries.

Alongside building the housing that we need, the government is committed to making it easier to build key infrastructure such as laboratories, gigafactories and data centres, as well as making changes to deliver more large onshore wind projects and solar development across the country.

In addition to these reforms to the planning system, the government is also taking steps to deliver quality affordable and social housing, working to reverse the continued decline in the number of social rent homes. This includes changes to Right to Buy, giving councils flexibility to use their receipts to build and buy more social homes. The government has started its review of the increased discounts introduced in 2012, with changes to be implemented in the Autumn.

The Deputy Prime Minister has also confirmed that details of future government investment in social and affordable housing will be brought forward at the next spending review, so social housing providers can plan for the future and help deliver the biggest increase in affordable housebuilding in a generation.

Responding to calls from the sector, the government has also confirmed that at the next fiscal event it will provide councils and housing associations with the rent stability they need to be able to borrow and invest in new and existing homes – while ensuring that there are appropriate protections for both existing and future social housing tenants.

Further information

- Later today the Housing Minister will be hosting a roundtable with the house building sector who have pledged their support for the plan. Today the Home Builders Federation has issued a statement on behalf of the industry backing the government's plan and commitment to build 1.5 million homes.
- The government will respond to the consultation and publish NPPF revisions before the end of the year, so policy changes can take effect as soon as possible.
- These changes will be followed by further reforms in the Planning and Infrastructure Bill, through which we are confirming today we will introduce a national scheme of delegation that focuses planning committees on the applications that really matter, avoids a potential development being reviewed multiple times even where it's been included in the local plan, and places more trust in skilled professional planners.
- The government is also confirming its intention to introduce a universal system of strategic planning across England in this Parliament, underpinned by the necessary legislation, that will deliver on the manifesto commitment to plan for growth on a larger than local scale.
- Government is doing more to support mixed use sites, which can comprise a variety of ownership and rental tenures including rented affordable housing and build to rent, and which provide a range of benefits – creating diverse communities and supporting timely build out rates.
- Government is introducing new flexibilities in the Affordable Homes Programme for GLA to unlock delivery in London.
- Government is increasing the flexibilities on how councils can use their Right to Buy receipts, which includes: removing the caps on the percentage of replacements delivered as acquisitions and the percentage cost of a replacement home that can be funded using these receipts, and giving councils the ability to combine Right to Buy receipts with section 106 contributions, with these flexibilities in place for an initial 2 years and subject to review.
- Government will review Right to Buy more widely, which includes looking at eligibility criteria and

protections for new homes, and will bring forward a consultation in the autumn.

- Government is confirming that the third round of the Local Authority Housing Fund will be going ahead, with £450m to councils to acquire and create homes for families at risk of homelessness.
- Government is also confirming that Awaab's Law will be introduced into the social rented sector, with more detail and secondary legislation to implement this in due course.
- The consultation includes some proposals to reform the Nationally Significant Infrastructure Projects (NSIPs) regime. This is a first step and further proposals will be brought forward in due course.

Stakeholders

Neil Jefferson , CEO, Home Builders Federation

“Today represents the first and most important step ministers have taken in addressing the barriers to delivering new homes. The scale of the government's housing ambition has given hope to the house building industry that stands ready to increase supply and tackle the country's housing shortage. The planning system has long failed to provide the amount of land needed to address affordability pressures, but in recent years the elimination of housing targets has led to housing supply plummeting. A reformed, more progressive planning system that requires local authorities to meet their communities' housing needs is a major step forward to address the barriers to delivery.

The housing market is complex and bringing more land through the planning system will help to turn around ailing housing supply provided affordable mortgage finance can be accessed and buyers are able to purchase new homes.”

Victoria Hills, Chief Executive, Royal Town Planning Institute

“The proposed changes to our planning system outlined today have the potential to rebuild trust in our planning system. We believe that the

government's goals for housing, energy, and transport can be accomplished through collaboration with planners in both the public and private sectors.

It is particularly encouraging to see the government placing a much-needed emphasis on strategic planning, which can help deliver more coherent – not piecemeal – urban expansions by integrating new housing with transportation, energy, and public services.

The RTPI will begin consulting our members widely across England immediately to guide our response to the government on these and other important reforms.”

Polly Neate, chief executive of Shelter

“The Deputy Prime Minister is absolutely right to put the delivery of new social homes at the heart of her plans. Every year we lose more social rent homes through sales and demolitions than we build, so the government's commitment to reversing this could effectively mean doubling the supply of social homes in a year.

The decision to set a clear expectation and target on social rent homes at a local level lays the foundation for councils and developers to deliver the housing communities so desperately need. We now need to ensure developers are delivering their fair share of genuinely affordable social homes, and not dodging their commitments.

The government's ambition must keep growing until it hits the 90,000 social homes a year that are necessary to end homelessness and relieve the extreme pressure on private renting. Building 90,000 social homes would pay for themselves in just three years and return an impressive £37.8bn back to the economy, including through jobs, savings to the NHS and the benefits bill.”

Muyiwa Oki, President of the Royal Institute of British Architects

“Well thought through and fundamental reforms to our broken, backlogged planning system are to be

welcomed.

For too long, the system has been a barrier to quality development and contributed to our national housing shortfall.

Much greater emphasis needs to be placed on design quality because, fundamentally, a poorly-designed, unattractive, unsustainable home serves nobody, not least future generations.

A shake-up of our decrepit planning system will be vital to our housebuilding revolution.

As architects, we now stand ready to act as a critical friend to government, to make sure we get these reforms right, to enable the design and delivery of the next generation of homes our country so desperately needs.”

Kate Henderson, Chief Executive, National Housing Federation

“It’s great to see the government place social and affordable housing at the heart of its plans for tackling the housing crisis.

“We strongly welcome the government’s commitment to reintroducing more ambitious mandatory housing targets, recognising the importance of social rented homes, and to overhauling the planning system, which we have long been calling for.

”These changes are an important first step to increasing supply, and we agree with the Secretary of State that to reach the government’s target of 1.5 million new homes over this parliament, we must significantly increase the supply of social and affordable housing. With the social housing sector facing huge financial pressures due to decades of cuts and rising costs, this can only be achieved through long term funding to rebuild capacity that has been lost. Housing associations are ready to deliver these homes but can only do so with the right support.

“We look forward to working with government on these changes as part of a nationally coordinated

long term plan for housing, with funding at the next spending review, to deliver on our shared ambition to build a generation of new social homes.”

Justin Young, Chief Executive, Royal Institute of Chartered Surveyors

“Securing the homes the UK requires, needs more than one solution, and it is encouraging to see many of them addressed today.

Setting localised housing targets to ensure that what is needed is built in the right places and with the right infrastructure, and working with local authorities that know their areas better than anyone, will help secure the bold ambitions of Government as well as providing jobs and opportunities. Our professionals are at the heart of the built environment, including planning, development, construction, and cost management, and are ready and equipped to help push these changes forward.

We have been calling for a greenbelt review, and applaud the introduction of clear, golden rules for grey belt. The proposed system of brown, grey, then green, should protect community spaces and secure needed but not unnecessary development. Planning reforms are a pullable policy lever for boosting economic productivity, and legislation that increases housing delivery across tenures, including affordable housing, will move the dial for those in need. We also look forward to working with Government to secure the skills needed to make ambitions a reality”.

Ann Carruthers, President of the Association of Directors of Environment, Economy, Planning and Transport (ADEPT)

“ADEPT welcomes the government’s recognition of the crucial role that the planning system, and planners, can play in delivering the homes, jobs and infrastructure that this country needs to fulfil its growth ambitions. We consider that a proactive, well-resourced planning system is vital to deliver successful sustainable places. We support the re-introduction of universal strategic planning and stand ready to work with the government to deliver

the modernisation of the planning system, so that everyone has a warm, safe and affordable home.”

Jan Bessell, Board Chair, National Infrastructure Planning Association

“NIPA welcomes this early consultation by government, which will not only help implement its own agenda but also deal with issues that have been experienced with NSIP thresholds and project descriptions over the last few years in relation to water resources and energy generation infrastructure. NIPA looks forward to further infrastructure planning reform and innovation led by government, to facilitate the delivery of much needed national infrastructure and economic growth.”

Andrew Carter, Chief Executive, Centre for Cities

“The Government is right to put planning reform at the centre of its economic strategy.

The UK’s cities have the potential to make a larger contribution to the national economy. Tackling the shortage of housing in and around these cities is a key step towards making them – and the country – more productive.

Green belt reform in particular is welcome. The UK’s biggest cities are surrounded by green belts several times their size, constraining the supply of homes for people who live and work in these places.”

Melanie Leech CBE, Chief Executive, British Property Federation

“This is an ambitious package of measures, which will not only start to turn the tide on our housing crisis, but also inject some much-needed growth into our economy. We need a multi-tenure approach to tackle the housing crisis which sees social housing, homes for sale, and Build to Rent all firing on all cylinders. We are therefore particularly pleased to see that as part of the revised NPPF, Government will double down on encouraging and supporting all sectors to do their bit.”

Paul Brocklehurst, Chairman, Land, Planning and Development Federation

“The new Government campaigned on a mandate of reforming the planning system to enable the building of 1.5M new homes, to deliver the affordable homes we need, and to provide the employment space and infrastructure which is essential to boost our economy. Today, the measures that the Government are announcing are the first giant stride in the long walk to achieving that goal. We, and all our members, welcome today’s announcement and will work positively, constructively and tirelessly with Government to ensure that the reforms announced today, and those that may come at a later date, enable the mission of boosting economic growth to be achieved.”

Simon Carter, Chief Executive Officer, British Land

“There is no silver bullet to solve the housing crisis and return the country to long-term sustainable economic growth. The government will need to deploy a range of tools to do this. The changes to national policy announced today are an important first step to put us back on the path to growth, combining targeted approach to Green Belt release, while reaffirming the presumption in favour of brownfield development, enabling viable development across a mix of tenures, and giving greater weight to critical infrastructure delivery in strategically important sectors, such as science and technology and renewables.

As a business, we have consistently advocated for practical, deliverable planning reforms, to ensure faster, more reliable planning decisions, and welcome the other measures announced today to improve performance and decision-making and provide a more predictable planning service across the country.”

Mark Allan, Chief Executive, Landsec

“This is an extensive set of measures which tackle many of the issues we face within the planning system.

“I am particularly pleased to see the increased focus on brownfield land and the recognition of the role mixed use and commercial development plays in driving economic growth and housing delivery.

“It is now up to our industry and our partners in local government to rise to this challenge and maximise the opportunities presented by development. Not only by delivering homes and growth, but also by ensuring that growth works to unlock opportunities for people across the country.”

Rob Perrins, Chief Executive, Berkeley Homes

“Berkeley strongly supports the Government’s mission to build 1.5 million new homes and welcome the steps taken today to begin reform of the planning system.

Ministers have challenged industry to do more and Berkeley is determined to play our full part. We have therefore today laid out plans for how we can start an additional 10,000 private and affordable homes over the next five years. These plans include accelerating work on our current long-term sites, securing new deliverable planning permissions, investing over £1 billion into a new 4,000 home Build to Rent programme, and returning to the land market having not bought a new site for more than 2½ years.

As with the Government’s mission for housing this plan is ambitious but achievable. When all levels of government work in partnership with industry we can move at pace, and deliver more of the good green homes people need.”

António Simões, Group CEO, Legal & General Plc.

“We need a fit for purpose planning system to get the economy growing, and particularly to ensure that local communities have the homes, services, and infrastructure they need. This package of reforms is an opportunity to get millions of pounds worth of projects moving, with real world impact on housing quality and availability, infrastructure, and growth industries. It will also ensure that policies to

drive pensions capital into productive assets have maximum benefit on the ground, and on savers' returns."

Nigel Hugill, Chief Executive of Urban&Civic plc.

"Recent experience is that setting clear targets for each Local Planning Authority is absolutely fundamental to lifting housing numbers. Equally, the wholehearted embracing of a mix of tenures is also to be applauded. Accelerating residential delivery will require the full range of housing providers to contribute. In all instances, homes rent faster than they sell, so we have to harness more than just the major housebuilders."

Helen Gordon, Chief Executive, Grainger plc

"It is positive to see the Labour Government hit the ground running with today's housing and planning reform proposals which is an important first step in achieving their target of delivering 1.5m new homes. In particular, the emphasis of a multi-tenure approach, where councils will need to determine and plan for local housing need for home ownership, private rental and affordable homes, is very welcome. Today's proposals will support our plans to develop over 5,000 new homes, and our ambitions to go well beyond this."

Rick de Blaby, Chief Executive, Get Living Plc

"An effective and efficient planning system is absolutely critical to providing new high quality homes of all tenures and supporting vital infrastructure. For too long the planning system has been a drag on delivery, affecting both investor appetite and crippling supply in areas that desperately need new homes for sale and rent. The new Government has recognised this and wasted no time in putting forward solutions.

"The country needs a simplified approach to planning that not only removes existing barriers but has an expanded understanding of the types of homes, neighbourhoods and infrastructure needed. We welcome the Government's decision to make planning policy a priority and the revised NPPF will pave the way for the provision of the high-quality

homes the country urgently needs to alleviate our current housing and rental crisis. A fit for purpose planning system will unlock investment, grow local economies and give people a choice of where to live.”

Mark Allnutt, Executive Director – Europe, Greystar

“As a major investor in UK residential property, we have long been supportive of measures to unlock the planning system, which are essential for economic growth and should provide certainty for institutional investors. Restoring housing targets and taking steps to increase land supply, while prioritising brownfield and ‘greybelt’ land for development, are important steps the Build to Rent Sector welcomes. We look forward to working with both the UK Government and local authorities to deliver the additional housing supply the country needs across a full range of housing tenures including affordable homes.”

Charles Roe, Director of Mortgages, UK Finance

“Everyone needs a safe, secure and affordable home so we welcome the government’s plans to get Britain Building, and the announcement of increased targets for affordable housing. This commitment will help reduce the UK’s shortfall of homes and get more people onto the housing ladder. Our mortgage members play a key role in helping people achieve their ambitions of home ownership. We look forward to continuing our work with lenders and government to help people and families buy their first or future home.”

Michael Kiely, Chair of the Board, Planning Officers Society

“The new Government has kept to its promise to revise the NPPF before the Summer recess. I am looking forward to reading what changes Angela and her team have made to enable the planning system to meet housing need and deliver economic growth through the creation of sustainable development.”

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