Consultation on the proposed London Emergency Housing Package

Part I: A proposal for time-limited relief from the Community Infrastructure Levy to support housebuilding in London

Part II: A proposal for permanent changes to the Town and Country Planning (Mayor of London) Order 2008 to support housing delivery in the capital

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Scope of the consultation

Topic of this consultation:

Part I of this consultation seeks views on the design and administration of a proposed time-limited relief from the Community Infrastructure Levy for certain developments in Greater London.

Part II of this consultation seeks to gather views on proposed changes to the Mayor of London's planning powers.

Scope of this consultation:

Part I of the consultation summarises the rationale for emergency CIL relief in London and why it is needed; and sets out the proposals for which developments will qualify for relief and how that relief will be accessed and administered.

Part II of the consultation covers proposed permanent changes to the Mayors existing planning powers: a new application of potential strategic importance category, which will be subject to a streamlined process, for development of 50 or more homes where boroughs are minded to refuse; and bringing applications involving development of over 1,000 square meters within Green Belt or Metropolitan Open Land within scope of his call-in power.

Geographical scope:

Both Part I and Part II relate to England only.

Impact assessment:

For Part I, whilst taxes and levies are not required to undertake an impact assessment, the Government is nonetheless keen to fully understand the anticipated impact of the proposed relief.

For Part II, the consultation seeks views on any potential impacts on businesses, local planning authorities (LPAs) and communities from the proposed measures.

For both Part I and Part II, the Government is mindful of its responsibilities under the Public Sector Equality Duty, and therefore views are additionally sought in questions 32 and 33 on whether there are any perceived or likely impacts arising from these measures on those with a protected characteristic.

Basic Information

Body/bodies responsible for the consultation:

Ministry of Housing, Communities and Local Government (MHCLG).

Duration:

This consultation will last for eight weeks, from 27 November 2025 to 22 January 2026.

Enquiries:

For any enquiries about the consultation please contact: LondonHousingConsultation@Communities.gov.uk.

How to respond:

We strongly suggest responses to the consultation questions are made through *Citizen Space* at https://consult.communities.gov.uk/planning/london-emergency-housing-package/. This is an easy-to-use, digital tool that will enable the Department to process responses efficiently. The Citizen Space survey beings with the following mandatory "about you" questions:

Question 1: What is your name?

Question 2: What is your email address?

Question 3: Are you replying as an individual or submitting a response on behalf of an organisation?

The remaining questions are optional, allowing you to respond either to just Part I or II, or to both, as desired.

Alternatively, you can email your response to the questions in this consultation to LondonHousingConsultation@Communities.gov.uk.

If you are responding in writing, please make it clear which questions you are responding to.

Written responses should be sent to:
Consultation on London Housing Emergency Package
Planning Directorate
Ministry of Housing, Communities and Local Government
Third Floor SE, Fry Building
2 Marsham Street
London
SW1P 4DF

If replying by email or post, it would be very useful if you could confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

- your name,
- your position (if applicable),
- the name of organisation (if applicable),
- an address (including post-code),
- an email address, and
- a contact telephone number

1. Introduction to this consultation

Tackling the housing crisis is a national priority, with families in need of safe and secure homes up and down the country. That need is particularly acute in London. Housebuilding in the capital has faced significant challenges over recent years – including the impact of the Covid-19 pandemic, high interest rates, spiralling construction costs, regulatory blockers and wider economic conditions. As a result, more than a third of London boroughs recorded zero housebuilding starts in the first quarter of this year. The Government and the Mayor of London are determined to do what it takes to tackle London's housing crisis.

On 23 October, the Government and Mayor of London announced a proposed package of support for housebuilding in the capital. This package is designed to improve the viability of housing developments in the near term, boosting the number of new homes including affordable homes delivered in the next few years. It sits alongside the Government's wider reforms to the planning system and funding for affordable homes and the steps the Mayor has taken to increase housing delivery in London.

The proposed package is comprised of the following elements:

a) temporary relief from the Community Infrastructure Levy (CIL) in certain circumstances;
b) the removal of elements of guidance that can constrain density;
c) a time-limited planning route, enabling developers to secure planning permission without a viability assessment on private land where certain conditions are met;
d) giving the Mayor greater powers in relation to planning applications of potential strategic importance; and
e) funding to establish a City Hall Developer Investment Fund – with an initial allocation of £322m.

The Greater London Authority (GLA) are consulting on the removal of elements of guidance that can constrain density and the introduction of a time-limited planning route, enabling developers to secure planning permission without a viability assessment on private land where certain conditions are met. The GLA is also consulting on 'Support for Housebuilding' London Plan Guidance.

This central Government consultation seeks views on two elements of this proposed package where changes to secondary legislation by the Government are required for implementation – temporary relief from the Community Infrastructure Levy (CIL) in certain circumstances, and greater powers in relation to planning applications of potential strategic importance.

Part I: A proposal for time-limited relief from the Community Infrastructure Levy to support housebuilding in London

2. Introduction to Part I

On 23 October 2025, the Government announced its intention to consult on the proposal of a new, time-limited relief from the Community Infrastructure Levy (CIL) for certain developments in London. This part of the consultation seeks views on the design, scope and operation of the proposed relief.

2.1. Background

CIL was introduced through regulations in 2010 to help Local Planning Authorities (LPAs) raise funds for the infrastructure required to support new development. Alongside section 106 planning obligations, CIL plays a critical role in supporting sustainable development, by delivering public infrastructure that enables communities and businesses to thrive.

The Government is committed to improving CIL, making it a more effective tool for LPAs to plan for more connected and sustainable places. However, recent trends have made clear that rising overall costs on development are stymying the delivery of new homes in London.

In October 2025, the Secretary of State for Housing, Communities and Local Government and Mayor of London announced a significant package of targeted and temporary emergency support aimed at unlocking housing schemes and boosting housebuilding in London. **Among the measures included is a proposed partial, time-limited relief from CIL for qualifying developments in London that deliver a minimum level of affordable housing.**

2.2. What is CIL?

CIL is a charge which can be levied by LPAs on new development in their area. CIL helps LPAs raise funds for infrastructure to mitigate the cumulative impacts of development, rather than site-specific infrastructure that is secured through planning obligations. LPAs may choose to charge CIL but do not have to do so. The legal framework for CIL is set out in Part 11 of the Planning Act 2008 and the Community Infrastructure Levy Regulations 2010, as amended (“the CIL Regs”).

In the CIL Regs there are reliefs or exemptions obtainable from CIL in respect of: charitable development; social housing; self-build homes; and for homeowners building residential annexes or extensions. Any relief or exemption must be applied for and obtained prior to the commencement of the development. Development of less than 100 square metres, unless this comprises a dwelling, is not liable for CIL.

The charging authority sets out its CIL rates in a charging schedule, which should specify what types of development are liable for the levy and the relevant rates that apply for these development types. When deciding the levy rates, an authority must strike an appropriate balance between securing levy receipts to support development of an area and the effect on the economic viability of development of that area. The proposed charging schedule is subject to statutory consultation and independent examination to ensure that rates are tested for viability and have broad public consent. Once approved, the charging schedule must be published on the LPA’s website.

2.3. Why is emergency relief necessary?

CIL is explicitly intended to be calibrated so that it does not make development of the area in which it is levied economically unviable. However, the procedures required to update a CIL charging schedule mean that CIL rates can be unresponsive to significant changes in viability, as has occurred in London. Where CIL charging schedules have not been recently updated, the application of indexation (to reflect inflation) can strain viability even further in the context of rising costs and flattening or falling sales values.

Some of the challenges London faces are to be found elsewhere, in other cities across the country including: a significant increase in building material prices, with build cost inflation post-pandemic having reached as high as 26 per cent in 2022[1]); a rise in financing costs (which peaked at 5.25 per cent, and are currently at 4 per cent[2]), and planning capacity and capability pressures. However, these challenges are particularly acute in London, and the consequences are clear.

London has a stretching but realistic housebuilding target of 87,992 homes per year. Net additional completions have ranged between 26-46,000[3], and housing starts between 13-23,000[4], for much of the past decade. However, overall homes started in 2024/25 totalled just 4,200[5] and in the first quarter of this year, more than a third of London boroughs recorded zero housing starts.[6] While completions remain closer to earlier levels, this decline will filter through if current trends are allowed to continue.

All but one London borough LPA operates CIL (compared to 53 per cent of LPAs nationally), and rates are typically higher in London than the rest of the country. LPAs should ensure their CIL rates strike an appropriate balance between their need to raise funds for infrastructure provision and the potential impact on development viability across the area, and amend their charging schedules where this is not the case. However, given the time this can take, and the significant challenges facing residential development in London, the Government is proposing to introduce a time-limited relief from CIL to make qualifying residential development viable and so be built-out, which would not otherwise occur but for the relief.

This decision has not been taken lightly. The Government recognises that CIL is an important source of funding for infrastructure to support development of an area. However, if development does not come forward due to viability and wider issues detailed above, CIL will not be paid at all. The Government therefore considers that a time-limited relief from CIL for certain developments can help tackle the housing crisis in London, whilst standing by the manifesto commitment to deliver more affordable homes.

The Government acknowledges that CIL Regulation 55 already provides for an "Exceptional Circumstances Relief" (ECR), which was designed to allow LPAs to give relief from CIL if

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[1] *BCIS Construction Review 2022*
[2] *Bank of England Monetary Policy Report – November 2025*
[3] *Housing Supply – Net additional dwellings by local authority district, England. Table 122*
[4] *Housing supply – indicators of new supply, England. Table 217*
[5] *Housing supply – indicators of new supply, England. Table 217*
[6] *Housing supply – indicators of new supply, England. Table 253a*

they consider that it would have an unacceptable impact on the economic viability of a development. However, there are restrictions on how this existing relief can operate which means that the creation of a new kind of relief is more suitable to support the particular issues arising in London. ECR may be granted if: (a) it appears to the charging authority that there are exceptional circumstances which justify doing so; and (b) the charging authority considers it expedient to do so. The granting of ECR is entirely at the discretion of the charging authority, it cannot be claimed alongside other reliefs such as Social Housing Relief, and it cannot be applied for at all unless LPAs proactively have an ECR policy in place to make it available in their area.

By contrast, the Government proposes that the new relief will be available in all LPAs within Greater London, and must be granted where qualifying criteria are met and the necessary supporting evidence is provided.

2.4. How will the relief work in practice?

This proposed new emergency CIL relief in London comprises a temporary (time-limited) and targeted relief from borough-level CIL charges for qualifying residential developments on non-excluded land that commence (begin construction) after the new relief is in place and before the end of 2028.

The Government's proposal is that the relief will:

a. Apply to residential floorspace (excluding student and co-living accommodation), provided this does not take place on excluded (e.g. Green Belt) land;
b. Cover 50 per cent of the borough-level CIL liability (that remains after factoring in other available reliefs and deductions) of schemes which deliver 20 per cent affordable housing increasing linearly up to 80 per cent CIL relief if 35 per cent affordable housing is delivered.
c. Be targeted at schemes which provide proportionate, sufficient and truthful evidence that CIL relief is necessary to make the development viable.

Further details are set out in the subsequent sections of Part I.

3. Qualifying developments

The Government is seeking views on the proposed qualifying criteria which must be met in order for a development to be eligible to apply to the relevant LPA for the CIL relief. These criteria have been designed to ensure relief is appropriately targeted in line with the Government's outlined policy intention and are set out below.

3.1. Development in London

It is proposed that the relief will be geographically limited – only developments situated within CIL charging authority areas in Greater London will be eligible to apply. All but one of the London boroughs are CIL charging authorities, as is the Old Oak and Park Royal Development Corporation. The London Borough of Ealing is in the process of introducing CIL.

As referenced above, London is facing particularly severe housing delivery challenges and it is this specific context which has given rise to the need for relief from CIL as part of the wider London package.

The relief will only apply to borough-level CIL in London. This reflects the fundamental differences between Mayoral CIL and borough-level local CIL, both in purpose and design. While local CIL is designed to cumulatively fund local infrastructure, Mayoral CIL is a strategic levy set by the Mayor of London to finance major transport infrastructure projects across London. Unlike local CIL, Mayoral CIL can be used to finance large projects by borrowing against expected levy receipts, and is also ringfenced for specific projects to ensure funding for these critical schemes remains stable – with all receipts currently committed to repayments on the Elizabeth Line until the early 2040s. Borough-level CIL rates for residential developments are often significantly higher than Mayoral CIL rates, so form a higher cost to residential-led schemes. Providing relief from CIL at the borough level targets the most significant cost pressure without undermining debt repayments on the Elizabeth Line.

3.2. Development not on excluded land

It is proposed that relief will be limited by land typology. Development on excluded land will not be eligible to apply. The Government proposes to define excluded land as:

- Land which has been designated Green Belt
- Land which has been designated Metropolitan Open Land (MOL)
- Land which is a park, recreation ground, allotment, golf course or other locally designated open space

This in practice targets relief predominantly on brownfield (or previously developed land), doing so in as simple a manner as possible. Brownfield development will need to play a central role to ensure London is able to meet its assessment of housing need, and is more

likely to face viability challenges due to the additional costs it commonly entails (e.g. costs of any necessary remedial works), which CIL relief could mitigate.

Question 4: Do you agree that the relief should not apply to development on "excluded land" as defined? Please explain your answer.

3.3. Development for residential use

It is proposed that relief will be limited by land use: only residential developments (excluding student and co-living accommodation) will be eligible for the relief.

This ensures that relief is aimed at development that contributes directly to meeting long-term housing need in London, and which is currently facing delivery challenges. GLA monitoring data of referrable applications has indicated a shift from C3 residential to student and co-living in recent years: for example, the number of C3 homes approved by the Mayor at Stage 2 has reduced by 3,177 units, and the number of student and co-living units has increased by 9,092 units, in 2024 compared to the previous year. This also reflects the fact that development for commercial use (such as retail, office or industrial) can attract much lower rates of CIL, to the extent it comes in scope of it at all.

Question 5: The Government welcomes views on approaches restricting relief to certain land uses – including the merits of whether the policy should apply based on established use classes, or something more bespoke.

3.4. Development attracting a borough-level CIL liability of over £500,000

It is proposed that relief will be limited by the inclusion of a minimum threshold of CIL liability. It will be limited to developments with borough-level local CIL liabilities (i.e. excluding liabilities related to London Mayoral CIL) that would amount to £500,000 or more if the emergency relief was not applied (and factoring-in any other existing CIL reliefs that would reduce the CIL liability). The threshold is based on the calculation of CIL liability for the development as a whole, rather than individual phases of development.

This ensures relief is focussed on developments for which borough-level CIL would represent a significant cost, and therefore where relief is more likely to unlock delivery. This also means the administrative and financial resources of LPAs are not unduly stretched by a large number of smaller claims.

Question 6: The Government welcomes views on the application and level of the proposed borough-level CIL liability threshold, including whether this would have significant negative implications for SME builders.

Question 7: The Government welcomes views on the threshold applying to a development as a whole, and whether this presents any challenges for phased developments where each phase is a separate chargeable development for CIL purposes. If so, should a lower threshold apply for each phase of a phased development?

3.5. Development which will provide at least 20 per cent affordable housing

As announced on 23 October, the proposed package of support for housebuilding in London includes a new time-limited planning route. This will sit alongside the Fast Track Route and Viability Tested Route which form part of the threshold approach to applications in London Plan policy H5. The time-limited planning route will allow residential schemes on private land (including industrial land where industrial floorspace capacity is re-provided) that can provide at least 20 per cent affordable housing (by habitable room) to proceed without an upfront viability assessment where they meet certain eligibility criteria, and to access grant funding for affordable homes (excluding the first 10 per cent of homes which must be provided as affordable housing without grant), provided they meet the conditions of the relevant GLA funding programme.

Whilst the proposal for the new planning route includes reducing the affordable housing thresholds for qualifying schemes, it is designed to encourage development to come forward, and existing schemes to progress, in the near-term, in order to support a rapid recovery in housing delivery, which includes affordable housing delivery. The details of the new time-limited planning route are subject to consultation by the GLA.

To align with and support delivery of the time-limited planning route, the Government intends that the proposed CIL relief will be available for development which secures through its associated section 106 agreement at least 20 per cent affordable housing measured by habitable room, with a minimum of 60 per cent Social Rent.

This means development delivering a lower level of affordable housing than 20 per cent will not qualify for the CIL relief. Full details on the impact of affordable housing on the level of relief can be found in the following section.

Question 8: The Government welcomes views on the proposal to require a minimum level of affordable housing as set out in this sub-section.

3.6. Summary:

The Government is interested in obtaining views on the overall suitability of the qualifying criteria for accessing the relief. The criteria are designed to ensure that support is targeted appropriately, and focused on those developments that align with the policy objectives. We welcome feedback on whether these requirements will effectively achieve the intended outcomes or create unintended problems.

Question 9: Overall, are you supportive of the qualifying criteria outlined? Please set out your views.

Question 10: The Government welcomes views and evidence on whether a time-limited borough-level CIL relief in London will have the desired effect of improving viability to support housebuilding in London? As part of this, the Government would welcome case studies on the impact that borough-level CIL has on development in London.

Question 11: Are there any specific criteria that you think could be clarified or adjusted? If so, please give your reasons why.

Question 12: Are there any additional eligibility criteria you think should be considered for the CIL relief beyond those proposed? Are there any other observations or comments you wish to make?

4. Process for securing relief

The Government recognises the need to balance the following:

a) Ensuring CIL relief materially supports additional residential development while ensuring some CIL receipts are still collected;

b) Requiring meaningful evidence to justify the granting of relief without being disproportionately burdensome for developers to prepare and for LPAs to assess/scrutinise; and,

c) The need for certainty for all parties involved as to the likelihood of securing CIL relief – including developers, prospective investors and LPAs – to ensure appropriate decisions can be made and homes can be built as quickly as possible.

The process outlined below has therefore been designed firmly with the above aims in mind.

4.1. Steps before applying

Before applying for CIL relief, developers should first ensure that their scheme has already agreed its planning obligations (including the amount of affordable housing secured) in a signed section 106 agreement, and have confirmed any grant funding the scheme will be receiving. This ensures these variables are transparently known and remain stable for the purpose of informing whether CIL relief is needed and the amount of relief available.

As set out in sub-section 3.5, developments applying for the proposed relief may be eligible for the time-limited planning route currently subject to consultation by the GLA: in these cases, the scheme will be eligible for grant funding. Applicants are expected to engage with registered providers who should explore the availability of grant prior to, or at an early stage, in the planning process, so the timing of agreement of the s106 and grant will be broadly aligned. This does not preclude discussion between LPAs, the GLA and applicants about the potential to secure CIL relief as part of pre-application engagement: applicants should declare to the GLA if they are intending to apply for CIL relief, and at what level. As part of any application for CIL relief, the applicant must give consent for the GLA to share information with the LPA considering the CIL relief request, to provide information on the project which was used to determine the grant provision.

Once the new time-limited planning route comes into effect, applicants with planning consent, and which have not commenced development, will be expected to seek grant to maintain or increase affordable housing in existing s106 agreements where needed. The new CIL relief should then be applied for which would reflect the level of affordable housing set out in the s106 agreement. Applicants may apply for CIL relief where they commit to delivering at least 20 per cent affordable housing (i.e. the relevant level of affordable housing established in the new planning route, and on the basis of the same terms).

Question 13: The Government welcomes views on the proposed steps before applying for relief as set out in this sub-section. This includes views on how the grant funding mechanism may interact with the proposed CIL relief, and any circumstances where following the order/choreography set out would be difficult.

4.2. Application Fee

Developers must pay a set fee of £25,000 in order to apply for the relief.

This reflects the fact that processing applications for CIL relief will have resourcing implications for LPAs and, without funding to cover this, there would be a risk of those being diverted from other essential planning functions. The fee is also intended, in addition to the statutory declaration outlined further below, to encourage applications to be considered carefully, and only be submitted where developers are confident in their evidence to justify the need for relief.

Question 14: The Government welcomes views on the proposed application fee, the level of fee that is proposed and whether this would create any difficulties.

4.3. Level of relief available

As outlined, the Government proposes that provision of at least 20 per cent affordable housing is required in order to be able to apply for relief, in line with the new time-limited planning route.

The Government proposes that where 20 per cent affordable housing is to be delivered and all other qualifying criteria are met, LPAs must grant CIL relief of 50 per cent. This is with the aim of striking an appropriate balance between granting relief at a level that will support scheme viability, whilst also ensuring some borough CIL is collected to support local infrastructure priorities, and in addition provide much needed affordable housing. Whilst recognising that different schemes will have different characteristics that make a fixed level of CIL relief challenging, the Government is also of the view that certainty regarding the level of CIL relief available is important for all parties involved, to ensure a consistent appraisal of the overall viability of the scheme when proceeding through the new planning route, including the level of grant required.

Question 15: The Government welcomes views and evidence on whether 50 per cent relief for qualifying schemes delivering 20 per cent affordable housing is appropriate, or whether an alternative approach should be considered.

The Government also intends for the amount of relief available to be greater where additional affordable housing is delivered over and above 20 per cent, recognising the importance of affordable homes in meeting London's housing needs, as well as the benefits of increased levels of affordable housing on speeding up build-out rates. The Government proposes the level of relief would rise linearly up to 80 per cent relief for 35 per cent affordable housing delivery. That means, for every additional percentage point of affordable housing, available CIL relief increases by two percentage points.

Question 16: The Government welcomes views on whether this approach strikes an appropriate balance and provides a clear incentive for additional affordable housing to come forward.

Developers should not apply for more relief than is available for their scheme on the basis of the above criteria. The Government will consider further whether it should introduce

specific regulations and/or guidance setting out the appropriate level of relief in different circumstances to guide parties' considerations, notwithstanding the emphasis the Government places on the need for certainty throughout the process.

The relief is calculated from the CIL liability that would have been charged had the relief not been available. Therefore, any other available CIL reliefs (set out in the CIL Regs) should be calculated first, with the new emergency CIL relief applied to the remaining (residual) CIL liability, where applicable.

Question 17: The Government welcomes views on the optimal levels of relief to ensure development can proceed, while maximising CIL receipts and affordable housing delivery.

Question 18: The Government welcomes views as to whether boroughs should have any discretion in relation to the relief and if so in what circumstances, and how this may work such that robust incentives for additional affordable housing remain.

4.4. Assessing the viability impact of CIL relief

As part of their application to the relevant LPA, developers will need to evidence the financial impact that paying their CIL liability in full would have on the viability of their development, to ensure that the relief is demonstrably necessary to make the development viable. Reflecting the importance of ensuring that applications for the relief are streamlined and simple to complete, as well as straightforward for the borough to review and confirm, this will not necessitate a full open-book viability assessment. Instead, it is proposed that:

- Developers will be required to provide a summary appraisal of a residual valuation of the proposed scheme: with CIL reduced based on the amount of relief being applied for. This summary should include objective and realistic assumptions, and be prepared in line with the principles of national and Mayoral guidance and professional standards on viability. This should take into account any affordable housing grant or other subsidy that is available.

- The residual value arising from the appraisal will then be compared to the Benchmark Land Value (BLV) (or target return if the BLV is included as a development cost). BLV must be provided by the applicant, and may be informed by a red book valuation or other sufficient evidence of the site's Existing Use Value and an appropriate premium to the landowner. BLV and target return should be assessed in line with current guidance.

- Developers will, in addition to this, be required to make a statutory declaration that the information underpinning the valuation is a true and fair assessment of the proposed development's viability. The statutory declaration will provide an important safeguard in this specific context, where applicants are providing summary outputs rather than fully outlining and justifying all the assumptions used.

- The Government will also consider whether the CIL Regs should be amended to require specified, key information relating to viability as described above to form part

of the application for relief. Requirements to provide information under the CIL Regs are already subject to the enforcement mechanism set out in CIL regulation 110.

If the appraisal demonstrates that granting the CIL relief would make the development viable, and is accompanied by a statutory declaration (and/or other required statement/information under the CIL regs), relief should be granted by the LPA.

Question 19: The Government welcomes views on the appropriate and proportionate level of information that a developer must provide for a scheme in order to be able to qualify for the relief, ensuring that only those schemes which genuinely need the relief are able to benefit from it but avoiding the level of viability testing that would be required under the GLA's Viability Tested Route.

Question 20: The Government welcomes views on whether existing enforcement mechanisms for (i) statutory declarations (see section 5 of the Perjury Act 1911), and (ii) prosecution under the CIL Regs (see Regulation 110 of the CIL Regs) for supplying false or misleading information that is required to be provided under those Regulations, are sufficient to deter gaming of the system, or whether other deterrents should be made available? If you think these are not sufficient, please set out your reasons and views on what kinds of other deterrents may be needed, noting the Government's aims of creating a streamlined and certain process.

4.5. Commencing in time to benefit from relief

Relief is proposed to be available for CIL chargeable developments that commence: (a) after the relief is in force in the CIL Regs; and (b) before 31 December 2028. Development which has received planning permission prior to relief being introduced through regulations, but which has not yet commenced by the time the relief is in force will be able to apply for the relief. Schemes which have already commenced before the relief is in force will not be eligible for relief. However, in line with existing practice, where a planning permission is phased, each phase of the development is treated as if it were a separate chargeable development for CIL purposes; therefore, even if early phases have already commenced (and so are out of scope), later ones will still be eligible.

This ensures relief helps to both: (a) unlock schemes with existing permission which have subsequently stalled (and therefore not commenced); and (b) incentivise new schemes to come forward which may not have done so, absent any relief. The strict time-limiting of relief reflects the fact it is an exceptional, emergency intervention in response to very specific circumstances London is presently facing, and ensures the relief incentivises development to progress promptly.

To support this, additional limits may be introduced to ensure the targeted and time-limited nature of the emergency relief cannot be undermined through certain forms of structuring and phasing, particularly where related to part outline or fully outline applications. These limits would be designed to provide a sufficient level of protection against boundary-pushing.

Question 21: The Government is interested in obtaining views on the suitability of the proposed process for securing the relief. The process is intended to provide consistent, timely and proportionate decision-making, whilst ensuring that

applications for relief are robust and honest. We welcome feedback on whether these steps are practical and effective in supporting the intended outcome.

Question 22: Are you supportive of the overall approach proposed to securing relief?

Question 23: Do you foresee any challenges with particular aspects of the approach proposed to securing relief? If so, how might these be overcome?

5. Administration

We are seeking views on the administrative arrangements that will govern the operation of the relief. The Government recognises the importance of processing applications promptly and consistently so that relief can make development viable without creating unnecessary delays or administrative burdens. There is also a need for robust oversight to ensure that decisions are aligned with policy objectives.

5.1. Timescales

The Government recognises that the timely processing of applications is important, particularly given the time-limited nature of the relief itself and the need to first settle the Section 106 and grant funding aspects.

The Government expects applications to be processed, and applicants to be informed of an outcome as soon as practicable, recognising that applications will vary considerably in scale and complexity. Where the criteria are met for the relief and the necessary information has been provided by the developer, the relief should be granted. The Government will engage with the Planning Advisory Service (PAS) on how best to support LPAs with this.

It is likewise expected that developers are prompt in responding to queries from LPAs on any aspects of their application as needed.

5.2. Monitoring of decisions

In addition to providing LPAs with support, the Government will collect a representative sample of applications and decisions for auditing, to ensure that information is submitted in line with the required standards and that a consistent approach is taken across LPAs, in line with regulations and guidance. We are giving continued consideration to the details of this process and – in line with sub-section 4.4 above – welcome views on the appropriate routes of recourse and redress alongside this.

5.3. Clawback provision

It is common for CIL reliefs to be subject to clawback provisions where necessary, should any “disqualifying events” take place which undermine or conflict with the policy intention of the relevant relief.

The emergency relief is intended to support the viability of schemes which deliver new homes in London – and for such schemes to commence and build out promptly. We therefore propose clawback provisions tied to: (a) build-out, so a scheme could not benefit from relief by doing nothing more than nominally commencing; and (b) affordable homes, so a scheme cannot qualify for a level of relief based on delivering an amount of affordable housing which is subsequently reduced.

Question 24: The Government welcomes views on appropriate clawback provisions to ensure schemes which benefit from the relief contribute to urgent housing need.

This will include clawback of relief if an incorrect/false statement is made about the viability evidence which is submitted to justify the need for relief from CIL.

5.4. Subsidy Control

The UK subsidy control regime regulates subsidies given to prevent any excessively distortive or harmful effects. Both the new CIL relief, and its operation by LPAs, will need to be compliant with any relevant requirements; LPAs should also consider the cumulative impacts of CIL relief and other subsidies (e.g. grant funding) on individual developments, engaging with the GLA where necessary in support of this.

The Government will provide further information on this ahead of implementation.

Question 25: Are you supportive of the overall approach proposed to administering the relief?

Question 26: Do you foresee any challenges with particular aspects of the approach proposed to administering the relief? If so, how might these be overcome?

6. Implementation

Responses to this consultation will be carefully considered. A formal Government response to this consultation will be published in due course.

The relief will be implemented through a structured process to ensure consistency across Greater London. Implementation will be affected by amending the CIL Regs and will be supported by Government-issued guidance. The Government intention is to have the amending Regulations in place as soon as possible within the first half of 2026.

The relief will be formally introduced through secondary legislation, which will set out the legal framework for its operation. The Statutory Instrument will be subject to the affirmative procedure, meaning it will require active approval by Parliament before it comes into force.

Question 27: Do you foresee any challenges with the proposed implementation process?

Question 28: The Government welcomes any views on other ways that developers could be supported through the CIL system to bring forward developments.

On Public Sector Equality Duty and Environmental Principles, please refer to Questions 32-34, stating clearly in your response where you are referring to Part I or Part II of the consultation.

Part II: A proposal for permanent changes to the Town and Country Planning (Mayor of London) Order 2008 to support housing delivery in the capital

7. Introduction to Part II

This Part of the consultation covers the proposals for greater powers for the Mayor of London in relation to planning applications of potential strategic importance ("PSI applications"). Specifically, it proposes making permanent changes to the Mayor's existing powers to provide:

a) a new streamlined procedure for residential development of 50 or more homes if the development is not included in other PSI categories, where the Mayor will have the power to call in the application if the local planning authority is minded to refuse development; and
b) a new power for the Mayor to call in applications for development of a building of more than 1,000 square metres on Green Belt or Metropolitan Open Land.

7.1. Background

Since 2008, the Town and Country Planning (Mayor of London) Order 2008 ("the Mayor of London Order") - using enabling powers under sections 2A, 2D, 2F, 59(1) and 74 of the Town and Country Planning Act 1990 – has set a framework for the Mayor of London to intervene in applications of potential strategic importance in London.

The Mayor of London Order in its Schedule defines PSI applications in terms of categories of development set out under four Parts:

Part 1: Large scale development

Part 2: Major infrastructure

Part 3: Development which may affect strategic policies

Part 4: Development on which the Mayor must be consulted by virtue of a direction of the Secretary of State

For these PSI applications, there is a three-stage intervention process under the Mayor of London Order:

Stage 1: Where a PSI application is made to a London local planning authority, the authority must refer the application to the Mayor. In response, the Mayor must, within six weeks, provide a statement to the authority about whether he considers the application to comply with the spatial development strategy in place ("the London Plan") and the reasons for this. He may also indicate that he does not want to be notified of the authority's proposed decision under Stage 2.

Stage 2: The local planning authority cannot determine a PSI application until they have notified the Mayor of their proposed decision. The Mayor has 14 days to decide to intervene or leave the authority to determine the application itself. The Mayor may intervene by:

a) directing the authority to refuse the application; or

b) calling-in the application where the Mayor becomes the local planning authority and determines the application (Stage 3).

This power to call in applications only applies to PSI applications under Parts 1 and 2, and the Mayor can only call it in these applications if he considers that:

a) the development, or any of the issues raised by the development to which the PSI application relates, is of such a nature or scale that it would have a significant impact on the implementation of the London Plan;
b) (except in the case of development which falls within Category 1A of the Schedule) the development or any of the issues raised by the development to which the application relates has significant effects that are likely to affect more than one London borough; and
c) there are sound planning reasons for issuing a call-in direction.

An applicant of a PSI application under Parts 1 and 2 may also request the Mayor to intervene and call in the application if the local planning authority has not determined the application within the statutory deadline.

Stage 3: When the Mayor decides to call-in a PSI application, he becomes the local planning authority for the application for purposes of determination. Before he can determine it, he must make arrangements for a representative hearing about the application to take place in line with a published document setting out the procedure.

Further details of the Mayor's intervention powers, including current and past PSI applications, can be found on the Greater London Authority's (GLA's) website at Planning applications and decisions | London City Hall.

8. Proposals for Greater Powers

8.1. PSI applications framework

This framework for PSI applications is now well-established and has successfully supported better planning outcomes across London, including the positive granting of planning permission for development which otherwise would have been refused.

Since 2016, the Mayor of London has acted as the local planning authority in 27 cases which have included proposals for new homes, 16 of which were committee overturns of officer recommendations to grant planning permission. As a result of the Mayor of London's intervention, 18,005 homes (of which 7,015 were affordable) have been granted permission which would have otherwise been refused.

However, given the need for urgent intervention to address the housing crisis in the capital and meet London's ambitious annual housing need of over 80,000 homes, we need to make sure these intervention powers are still fit for purpose and enable the Mayor to accelerate housing delivery. In particular, we want to ensure that proposals for residential development are optimising opportunities for housing while maintaining the principles of Good Growth set out in the London Plan.

We propose to make changes to the Mayor of London Order to deliver measures to expand the scope of call-in. The aim – subject to the consultation responses – is to amend the Order in the New Year so the Mayor can use these greater powers as soon as possible.

Separately, the government has tabled an amendment to the English Devolution and Community Empowerment Bill to enable the use of written representations instead of a representative hearing for certain call-in decisions under Stage 3. If this amendment is enacted, the Government will consult on further changes to the Mayor of London Order next year.

8.2. A new PSI category for residential development of 50 or more subject to a streamlined procedure

Currently, residential development can fall within several PSI application categories set out in the Mayor of London Order, but the two most important where the Mayor can use his call-in powers are:

- Development of at least 150 houses, flats, or houses and flats (under Category 1A); and
- Development which comprises or includes the erection of a tall building in the following areas (under Category 1C):
  - the building is more than 25 metres high and is adjacent to the River Thames;
  - the building is more than 150 metres high and is in the City of London; or
  - the building is more than 30 metres high and is outside the City of London.

This approach has encouraged applicants and local planning authorities to engage with the GLA where PSI applications are being brought – and often there can be significant engagement between GLA, the local planning authority and the applicant to improve the quality of the development proposals.

However, the current approach under the Order means the Mayor is not involved at all in applications for other major residential developments which could play an important contribution to meeting the housing target set out in the London Plan.

Since 2021, 207 applications consisting of 50 homes or more were submitted in London but not captured by either Category 1A or 1C. These applications cumulatively proposed 18,945 homes during this period.

The government and the Mayor do not want to extend the residential development Category 1A threshold down to 50 homes. This would lead to these applications being subject to the Stage 1 process which would create additional burdens for the applicant, local planning authority and GLA – and risk slowing down decision making, particularly as in many cases the local planning authority does grant planning permission.

However, of the 207 applications since 2021, local planning authorities in London refused 33 of these applications, of which 19 were then subject to an appeal. In some cases appeals against refusals were upheld, at the cost of delay and increased costs to the applicant as well as to the local planning authority. We want the Mayor to be able to intervene and call in the cases where the local planning authority is minded to refuse so an earlier decision can be made.

This will ensure developers have greater confidence and certainty about planning decisions for this size of development.

To achieve this, the intention is to introduce a streamlined approach to these applications which will be different to the current approach set out above. Specifically, we propose:

- to create a new PSI category within the Mayor of London Order's Schedule for development of 50 or more homes if the development is not included in other PSI categories;
- the Mayor will be notified when the local planning authority is in receipt of the application which is in this category, but the Mayor will not be under a duty to respond – so the current Stage 1 process would not apply;
- if the local planning authority proposes to refuse the application, a modified version of Stage 2 would apply - the authority would be required to notify the Mayor and provide him with the following:
    - a statement that the authority intends to refuse the application and the full reasons for this;
    - a copy of any representations made to the authority in respect of the application; and
    - a copy of any officer report prepared for the application.
    - information of any proposed planning conditions, and a draft of any planning obligations and contributions which were proposed to be entered into (for instance, if officers had recommended approval of the application to a planning committee.)
- upon receipt of the local planning authority notification the Mayor will have 21 days to consider whether to call-in the application. This time period would be the same as the period the Secretary of State has to decide to call in an application under the consultation direction.

The Mayor would only be able to call-in these applications if he considers:

- development (or any of the issues raised by it) would have an impact on the implementation of the spatial development strategy (the London Plan); and
- there are sound planning reasons for the intervention.

This differs to the current criteria set out in Article 7 of the Mayor of London Order, so it is more proportionate to the development being proposed. For example, as development would be 50 or more homes it would not be appropriate to require this to have an impact on more than one London borough, but this could still make a meaningful contribution to London's housing need.

As this is a streamlined approach, enabling the mayor to intervene in a proportionate way, neither the Mayor's power to direct refusal nor the ability for an applicant to request the Mayor's intervene would apply to this PSI category.

If this proposal is implemented we will consider, as part of the preparing of the secondary legislation, whether the current definition of residential development used for existing PSI categories ("houses, flats, or houses and flats") remains appropriate. The intention is that this new PSI category would apply to residential development within Use Class C3 only.

Question 29: Do you agree with the new PSI category of 50 homes or more? Please state why.

Question 30: Do you agree with the streamlined process for the new PSI category? Please state why.

8.3. Applications on Green Belt and Metropolitan Open Land

This Government is committed to protect the Green Belt and make most effective use of brownfield land. The National Planning Policy Framework is clear that inappropriate development is, by definition, harmful to the Green Belt and should only be permitted where very special circumstances exist.

Metropolitan Open Land is defined in the London Plan rather than national policy. Policy G3 of the current London Plan affords Metropolitan Open Land the same status and level of protection as Green Belt in national policy.

Currently, any application for development on Green Belt or Metropolitan Open Land of which would involve the construction of a building with a floorspace of more than 1,000 square metres or a material change in the use of such must be referred to the Mayor for his consideration (Category 3D of the Mayor of London Order's Schedule.)

If an application falls within the category (and it is not a large scale development under Part 1), it is subject to the Stage 1 process enabling the Mayor to provide his views on its compliance with London Plan but at Stage 2, the Mayor can only direct the local planning authority to refuse the application – and not call it in for determination.

We propose to amend the Mayor of London Order and allow the Mayor to call in such applications. Although proposals solely in Category 3D can be quite modest in scale, they are potentially no less of strategic importance given the significant role the Green Belt and

Metropolitan Open Land plays in London. Since 2021, 139 applications have been referred to the Mayor under this Category with 76 cases within green belt and 53 within Metropolitan Open Land.

The Mayor having the power to call in these applications will help ensure that higher quality Green Belt and Metropolitan Open Land can continue to be protected from speculative development. It will also better enable him to secure high quality development on poor quality land, where very special circumstances can be demonstrated in favour of development, by maximising opportunities for design quality, density, and delivery of affordable housing in a way the power of a direct refusal cannot (this power has been seldom used). This does not change the existing policy protections, and will not make it easier for development to be approved on high quality Metropolitan Open Land, where existing policies protecting this land will remain in place. The mayor can still direct refusal, or refuse development following a call-in where it cannot be demonstrated that development would be appropriate in these areas.

Question 31: Do you agree that development in Category 3D of the Schedule of the Mayor of London Order 2008 should be brought into scope of the Mayor's call-in power? Please state why.

9. Public sector equality duty and Environmental Principles

We would like to hear about any potential impacts of the proposals in the consultation on businesses, or of any differential impacts on persons with a relevant protected characteristic as defined by the Equality Act 2010 compared to persons without that protected characteristic, together with any appropriate mitigation measures, which may assist in deciding the final policy approach in due course.

We would be grateful for your comments on any potential impacts that might arise the Public Sector Equality Duty as a result of the proposals in this document.

Similarly, we would like to hear about any impacts identified under the five environmental principles set out in the Environment Act 2021.

Please state clearly in your response where you are referring to Part I or Part II of the consultation.

Question 32: Do you have any comments on any potential impacts for you, or the group or business you represent, and on anyone with a relevant protected characteristic that might arise under the Public Sector Equality Duty as a result of the proposals in this document? Please provide details.

Question 33: Is there anything that could be done to mitigate any impact identified?

Question 34: Do you have any views on the implications of these proposals for the considerations of the 5 environmental principles identified in the Environment Act 2021?

10. About this consultation

This consultation document and consultation process have been planned to adhere to the Consultation Principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent, and where relevant who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 and UK data protection legislation. In certain circumstances this may therefore include personal data when required by law.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the Department is bound by the information access regimes and may therefore be obliged to disclose all or some of the information you provide. In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Ministry of Housing, Communities and Local Government will at all times process your personal data in accordance with UK data protection legislation and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included below.

Individual responses will not be acknowledged unless specifically requested.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the Consultation Principles? If not or you have any other observations about how we can improve the process please contact us via the complaints procedure.

11. Personal data

The following is to explain your rights and give you the information you are entitled to under UK data protection legislation.

Note that this section only refers to personal data (your name, contact details and any other information that relates to you or another identified or identifiable individual personally) not the content otherwise of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer
The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gov.uk or by writing to the following address: Data Protection Officer, Ministry of Housing, Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF.

2. Why we are collecting your personal data
Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

We will collect your IP address if you complete a consultation online. We may use this to ensure that each person only completes a survey once. We will not use this data for any other purpose.

Sensitive types of personal data

Please do not share special category personal data or criminal offence data if we have not asked for this unless absolutely necessary for the purposes of your consultation response. By 'special category personal data', we mean information about a living individual's:

- race
- ethnic origin
- political opinions
- religious or philosophical beliefs
- trade union membership
- genetics
- biometrics
- health (including disability-related information)
- sex life; or
- sexual orientation.

By 'criminal offence data', we mean information relating to a living individual's criminal convictions or offences or related security measures.

3. Our legal basis for processing your personal data

The collection of your personal data is lawful under article 6(1)(e) of the UK General Data Protection Regulation as it is necessary for the performance by MHCLG of a task in the public interest/in the exercise of official authority vested in the data controller. Section 8(d) of the Data Protection Act 2018 states that this will include processing of personal data that is necessary for the exercise of a function of the Crown, a Minister of the Crown or a Government department i.e. in this case a consultation.

Where necessary for the purposes of this consultation, our lawful basis for the processing of any special category personal data or 'criminal offence' data (terms explained under 'Sensitive Types of Data') which you submit in response to this consultation is as follows. The relevant lawful basis for the processing of special category personal data is Article 9(2)(g) UK GDPR ('substantial public interest'), and Schedule 1 paragraph 6 of the Data Protection Act 2018 ('statutory etc and government purposes'). The relevant lawful basis in relation to personal data relating to criminal convictions and offences data is likewise provided by Schedule 1 paragraph 6 of the Data Protection Act 2018.

4. With whom we will be sharing your personal data

MHCLG may appoint a 'data processor', acting on behalf of the Department and under our instruction, to help analyse the responses to this consultation. Where we do we will ensure that the processing of your personal data remains in strict accordance with the requirements of the data protection legislation.

5. For how long we will keep your personal data, or criteria used to determine the retention period.
Your personal data will be held for two years from the closure of the consultation, unless we identify that its continued retention is unnecessary before that point.

6. Your rights, e.g. access, rectification, restriction, objection
The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

a. to see what data we have about you
b. to ask us to stop using your data, but keep it on record
c. to ask to have your data corrected if it is incorrect or incomplete
d. to object to our use of your personal data in certain circumstances
e. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at https://ico.org.uk/, or telephone 0303 123 1113.

Please contact us at the following address if you wish to exercise the rights listed above, except the right to lodge a complaint with the ICO: dataprotection@communities.gov.uk or Knowledge and Information Access Team, Ministry of Housing, Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF.

7. Your personal data will not be sent overseas.

8. Your personal data will not be used for any automated decision making.

9. Your personal data will be stored in a secure government IT system.

We use a third-party system, Citizen Space, to collect consultation responses. In the first instance your personal data will be stored on their secure UK-based server. Your personal data will be transferred to our secure government IT system as soon as possible, and it will be stored there for two years before it is deleted.