



Ministry of Housing,
Communities &
Local Government

Rt Hon Steve Reed OBE MP
*Secretary of State for Housing,
Communities and Local
Government*

**Ministry of Housing,
Communities & Local
Government**

2 Marsham Street
London
SW1P 4DF

www.gov.uk/mhclg

To: All Local Authority Leaders and Metro Mayors
in England
Cc: All Local Authority Chief Executives and
Combined Authority Chief Executives in England

16 December 2025

Dear Leaders,

NEXT PHASE OF REFORMS TO ACCELERATE GROWTH AND HOUSEBUILDING

As the Leaders and Chief Executives of England's local and mayoral authorities, you know the scale of the challenge we face in building the homes our country needs. That was why the Government moved so quickly to bring in urgent changes to the planning system.

Today, the Government has set out a series of further reforms to the housing market and planning system to accelerate the supply of new homes and underpin more of the commercial development we need to boost economic growth.

National Planning Policy Framework (NPPF)

We are launching a consultation on a broader set of planning reforms that represent the most significant rewrite of the NPPF since its introduction more than a decade ago. These proposals will make the NPPF clearer, more rules-based, and easier to navigate for communities, councils, and developers alike. They will accelerate the Government's commitments to achieve economic growth, build 1.5 million new homes in this Parliament and secure clean power by 2030.

The revised NPPF separates out policies for plan-making and decision-making. These changes are designed to make planning policy easier to use, underpin the development of faster and simpler local plans, and be more directive of decision-making in support of both appropriate housing and commercial development.

You can find the relevant documents on gov.uk [here](#) – including a summary of our objectives, twelve key policy changes, and explanations regarding the structure and content. I wanted to highlight here two particular changes.

- **Streamlining local standards.** We want to promote certainty for applicants and speed up local plan production by limiting quantitative standards in development plans to only those specific issues where local variation is justified. We are also proposing to prevent duplication of matters which are covered by the Building Regulations – other than where there is the existing ability to use 'optional technical standards'.

- **Immediate application of national decision-making policies.** On publication of the final NPPF following this consultation, development plan policies adopted under previous versions of the NPPF that are inconsistent with the new national decision-making policies will be given very limited weight in planning decisions – ensuring these new national policies bite immediately.

Development plans will not be required to follow the revised NPPF until the final version is published. However, authorities preparing plans under the new plan-making system will want to consider the policies proposed in the consultation to help inform the early stages of your production.

I also want to confirm that the Government's intention is to maintain the current non-statutory nature of national planning policy, rather than use the provisions in the Levelling Up and Regeneration Act 2023 to designate statutory decision-making policies. Our view is that the risks of disruption to the planning system outweigh the potential benefits, especially given the significant weight afforded to planning policy. We will, however, keep this decision under review should our changes not achieve the expected effect.

The public consultation on the NPPF will be open for 12 weeks, closing on 10 March. My officials will be engaging with your officers during the consultation process to ensure that there is ample opportunity to feedback directly on our proposals.

Support for Local Authorities

I recognise that many of the reforms we set out today represent significant change, which will require leadership and professional commitment. This Government knows how important it will be to bolster capacity and capability in planning departments up and down the country, which is why the Government is investing £48 million of additional funding to boost capacity in the planning system.

In addition, alongside the draft NPPF, we have launched a new funding package to support decision-making, providing £8 million to enable local planning authorities to accelerate planning applications for major residential schemes at the post-outline stage. This funding will be targeted at authorities with high volumes of deliverable applications in this Parliament, ensuring resources are directed where they will have the greatest impact and deliver much-needed homes.

With respect to London, £3 million of this funding will be allocated to the Greater London Authority (GLA) to provide support to London boroughs, helping to underpin the implementation of the emergency measures the Mayor of London and I announced on 23 October 2025.

Unlocking Wider Housing Delivery

Beyond the planning system, this week we will launch an expression of interest for ambitious local authorities to work with us and sector partners to create pattern books of standardised, high-quality house designs. These will accelerate the delivery of new homes, ensuring the housing sector can make greater use of technology including artificial intelligence and modern methods of construction, giving manufacturers the confidence to invest and help boost productivity across the house building sector.

We will also provide an extra £5 million to boost the rollout of the Small Sites Aggregator across Bristol, Sheffield and the London Borough of Lewisham, supporting SME builders to transform up to 60 small brownfield sites into new social housing. The Small Sites Aggregator will bring together sites that would otherwise remain undeveloped and attract private investment to build new social rent homes.

Finally, having considered carefully the responses to the consultation undertaken by the Department for Environment, Food and Rural Affairs (Defra) earlier this year, I can confirm that the government will exempt smaller developments up to 0.2 hectares from biodiversity net gain, and introduce a suite of other simplified requirements to improve the implementation of BNG on small and medium sites that are not exempted. Defra will also consult rapidly on an additional targeted exemption for brownfield residential development, testing the definition of land to which it should apply and a range of site sizes up to 2.5 hectares.

Together, these measures will remove unnecessary barriers, unlock stalled sites, and support the adoption of modern building techniques, ensuring we deliver the homes that Britain needs quickly and to the highest standards.

Modifying Planning Obligations

In tackling the housing crisis, the Government is wholly committed to the biggest increase in social and affordable housebuilding in a generation and strengthening the existing developer contribution system.

I recognise that housebuilding has faced significant challenges over recent years – including the impact of the COVID-19 pandemic, increased construction costs, high interest rates, regulatory changes and wider economic conditions. These challenges have been especially acute in London, necessitating the emergency package announced in partnership with the Mayor of London on 23 October 2025. They have also contributed to challenges in the delivery of Section 106 affordable homes, which is why the Government continues to progress work on a holistic policy package to address both the legacy problem of existing uncontracted Section 106 units and prevent the problem recurring.

In this context, the Government recognises it may be necessary in specific circumstances to modify existing planning obligations 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. The Government also committed in the ‘Homes for London’ document to clarify the use of Section 73 applications.

The proper process for modifying or discharging planning obligations is set out in section 106A of the Town & Country Planning Act 1990. The Government expects local planning authorities to adopt a pragmatic approach when responding to requests to renegotiate Section 106 planning obligations, to facilitate timely decisions. The Government also recognises the practical constraints associated with the existing, statutory route to modify or discharge planning obligations via section 106A (effected by a ‘deed of variation’), and the limits that any policy or guidance reforms can achieve. The NPPF consultation therefore seeks views on the efficacy and use of existing statutory routes, to inform ongoing work to ensure there is an appropriate mechanism to modify or discharge existing planning obligations that provides confidence to both authorities and developers.

As a general rule, attempts to revisit fundamental issues of viability or planning obligations through Section 73 applications should be scrutinised carefully, and the applicant should provide a robust justification for any changes proposed for planning obligations associated with the original permission beyond those linked to the specific variation of condition being sought. Where developers submit a Section 73 application that seeks to reduce affordable housing provision based on a new viability assessment, the decision maker should have regard to the harm that such a

reduction may cause and give this appropriate weight in the overall planning balance, alongside the wider merits of the scheme.

The Housing Minister has provided similar clarification to the Planning Inspectorate.

We are also committed to implementing Section 73B through secondary legislation – a new route to vary planning permissions – which was legislated for by the Levelling-up and Regeneration Act 2023. This new route to vary permissions was designed as a replacement for Section 73 when dealing with general post-permission changes to development, where caselaw has highlighted the limitations of Section 73. As part of this implementation, we will provide guidance on the appropriate use of the three routes to vary permissions – s73B, s73 and s96A (which enables non-material changes to be made to planning permissions).

Section 73B should become the key mechanism for dealing with legitimate variations in a pragmatic way in response to changing circumstances over time, but it is not intended to allow developers more easily to reduce planning obligations already entered into, including for affordable housing, and Section 73B(5) will affect the extent to which that can be done.

Planning and Infrastructure Bill 2025

Finally, the reforms outlined today sit against the backdrop of significant statutory changes as a result of the imminent enactment of the Planning and Infrastructure Bill 2025. I want to take this opportunity to thank you for your extensive engagement throughout the Bill's passage through Parliament – the contribution and challenge of local authorities has been integral to the development and refining of the Bill. Your support will continue to define its success upon becoming law.

There are six changes that I wanted to highlight here.

- Our **planning committee reforms** that will modernise the way committees operate, establishing a national scheme of delegation which will streamline local planning decision making, maximise the use of professional skills and judgement of trained planners, and focus the time of elected councillors on the most significant or controversial applications. Following the publication of our technical consultation on the reform of planning committees in Summer 2025, we will publish the government response next year and will launch a new consultation on draft regulations to bring these provisions into force in 2026.
- The Bill also allows the **delegation of the setting of planning fees** to local planning authorities, enabling local areas to set their own planning fees and charges to cover their costs. These changes will ensure that local planning authorities have the resources they need and that they are directly invested in delivering an efficient planning function, responding to the individual circumstance of each local authority. Over the summer, the Government carried out a benchmarking survey to inform decisions on a national default fee. A consultation on the proposed national default fee and guidance for local authorities on local fee setting will be published in the new year. Until regulations establishing the national default fee and the framework for local fee setting are in place, local authorities should continue to apply the current national fee.
- The Bill also creates a clearer, more flexible, and robust framework for the operation of **development corporations** to unlock more housing across the country. The Act updates the

objectives, infrastructure powers, and areas over which development corporations can operate. It also clarifies the relationship between types of development corporation by oversight authority and places a new duty to cooperate on relevant transport authorities to improve collaboration with development corporations.

- The new **strategic planning system** marks a fundamental change in our planning system. All planning authorities will have an interest in the forthcoming Spatial Development Strategies, and we will be announcing further information about their implementation soon. We expect local planning authorities to continue to work towards the adoption of an up-to-date local plan as soon as possible and the roll-out of Spatial Development Strategies should not distract local planning authorities from this vital work.
- Reforms to **compulsory purchase process and land compensation rules** will enable more effective land assembly that will speed-up and lower the costs of bringing empty properties back into use and the delivery of housing and critical infrastructure in the public interest. This will ensure quicker decisions on Compulsory Purchase Orders can be made, administrative costs of undertaking the Compulsory Purchase Order process are reduced, and the balance of fairness in the assessment of compensation between acquiring authorities and landowners is fully considered. These reforms are expected to be in force within two months of Royal Assent.
- Finally, the Planning and Infrastructure Act will change the **pre-application process for Nationally Significant Infrastructure Projects**, with implications for how local authorities are engaged and informed about the development of applications which will affect their local areas and communities. The Government still expects high quality, meaningful engagement and consultation to take place, and is developing new guidance for all stakeholders. Local authority input continues to be critical, and applicants will be encouraged to engage early and consult local authorities and other stakeholders as they develop plans. These reforms will come into force in late spring.

All of the changes I have set out in this letter are designed to support the delivery of more homes and more affordable homes, and to encourage commercial development that underpins growth at the local and national level. It is only by working together to make the best use of these changes that we will deliver the homes, jobs and improved living standards we owe to those we serve.

Yours sincerely,

A handwritten signature in dark ink, reading "Steve Reed". The signature is written in a cursive, flowing style. Below the signature is a short, horizontal line.

Rt Hon Steve Reed OBE MP
Secretary of State for Housing, Communities and Local Government