



HOMES FOR LONDON

FINAL PACKAGE OF SUPPORT FOR HOUSEBUILDING IN THE CAPITAL

1. In October 2025, the Government and the Mayor of London announced a package of time-limited emergency measures to support London housebuilding, aimed at improving the viability of housing development in the near term and accelerating housing delivery, including social and affordable housing. Consultations were launched in November 2025 on a temporary relief from the Community Infrastructure Levy (CIL), the expansion of the Mayor of London's planning powers, changes to London Plan Guidance, and a new time-limited planning route. Alongside this we announced a simplification of Mayoral Development Orders and an initial allocation of £324 million in grant to the Greater London Authority's (GLA) City Hall Developer Investment Fund.
2. These proposed measures recognised the particularly acute need in London to provide more families with safe and secure homes, and the significant challenges housebuilding in the capital has faced over recent years. Challenges including the impact of the Covid-19 pandemic, high interest rates, high construction costs, planning and regulatory complexity, dampened demand and poor site viability have stalled pipelines across the capital and mean that housebuilding in London has declined significantly. A lack of housing supply has serious impacts, with record numbers of children in temporary accommodation and too many Londoners struggling to afford a home where they live and work.
3. The Government and GLA have worked in partnership to consider carefully feedback from consultation respondents, including local authorities, housebuilders and wider organisations to refine the proposals. This policy note summarises the final measures being taken forward and sets out next steps and implementation timelines. It should be read alongside [the London Plan Guidance – Support for Housebuilding](#), and the [Government Response to the Consultation on the proposed London Emergency Housing Package](#), which have also been published.
4. The package continues to constitute a time-limited emergency intervention to encourage an acceleration in housebuilding in the capital. It sits alongside the Government's wider reforms to the planning system, a £39 billion Social and Affordable Housing Programme and long-term rent settlement for registered providers, and steps the Mayor has taken to increase housing delivery in London.
5. The final proposed package takes forward the core components of the emergency measures as consulted on, with targeted changes in response to feedback received via the consultation. These changes are intended to maximise the number of stalled and potential new schemes that can benefit from the measures, meeting the core objectives of improving the viability of housing developments in the near term, and boosting the overall number of new homes delivered, including social and affordable homes.
6. The measures are intended to apply to both existing consents that are now unviable, and to future consents for new eligible schemes. The Government and Mayor are clear that ensuring schemes progress and housebuilding is accelerated is the priority, and local planning authorities are strongly encouraged to support applications that meet these minimum levels of social and affordable housing and conform to the eligibility criteria under the time limited route, including when varying from existing consents.

7. The measures include:

- a. **A new time-limited planning route, enabling developers to secure permission without a viability assessment on private land where they commit to at least 20 per cent social and affordable housing, with providers able to apply for GLA grant to support social and affordable homes above the first 10 per cent of the total homes on the site.** Certain elements of the proposed planning route have been adjusted. The route will now be open to applications submitted and validated by 31 March 2028, by which time the new London Plan is expected to have been adopted. The Late Stage gain-share mechanism has also been replaced by an Early Stage Review – aligning directly with the GLA’s current Fast Track Route – with no further reviews required beyond this. The Early Stage Review will be triggered where an agreed build out milestone is not met within a stipulated time period – with a default position comprising of a build out milestone of a first-floor slab to be achieved within 30 months starting from the grant of planning permission. Flexibility will also be allowed for boroughs and housebuilders to agree differently defined build out milestones and time periods for achieving this milestone – appropriate to the circumstances of the site and reflecting the imperative to incentivise starting construction and housing delivery. If triggered, the ESR will ensure greater levels of social and affordable housing are delivered if economic conditions improve. Full details are confirmed and set out in the Mayor of London’s Support for Housebuilding London Plan Guidance.
- b. **Temporary and targeted partial relief from the Community Infrastructure Levy (CIL) for eligible schemes, with higher levels of relief for schemes providing more than 20 per cent social and affordable housing.** This emergency relief will now apply to eligible schemes commencing before 31 March 2030, with further simplified requirements and processes to access the relief and get schemes moving.
- c. **The removal of elements of London Plan Guidance that, as currently applied, can constrain density** – including standards relating to dual aspect and units around the core, and amendments to cycle storage requirements. These measures signal a direction of travel. As the new London Plan is developed, the GLA will give active consideration to the effectiveness of continuing these measures, using this to inform emerging policy, together with the Government’s finalised proposals arising from the National Planning Policy Framework consultation.
- d. **Expanding the Mayor’s planning call-in powers** – with the Government bringing forward secondary legislation immediately so new powers come into effect in May. This builds on wider action being taken through the English and Devolution Community Empowerment Bill to give mayors the powers they need to accelerate housing delivery and economic growth.
- e. **An allocation of £324 million to establish a City Hall Developer Investment Fund**, which will prioritise interventions on stalled sites that can deliver housing completions as soon as possible.

SUMMARY OF MEASURES

A. Time-limited planning route

8. We consulted on a new time-limited planning route to sit alongside the existing Fast Track and Viability Tested routes, to incentivise build out that allows schemes on private land to proceed without a viability assessment, provided they deliver at least 20 per cent social and affordable housing delivery in the longer term. There are three core elements to the time limited planning route: eligibility; the review mechanism – including triggers and milestones; and maximising social and affordable housing, including on existing schemes.

Eligibility

9. In order to be eligible for the time-limited route, a project on private land (including industrial land where industrial floorspace capacity is re-provided) will need to deliver at least 20 per cent or more social and affordable housing by habitable room, with a minimum of 60 per cent Social Rent (and the remaining as intermediate tenures in line with London Plan policy H6). Local Planning Authorities are strongly encouraged to support applications that meet these minimum levels and conform to the eligibility criteria.
10. Build to Rent schemes which meet the criteria in London Plan H11 can provide social and affordable housing that is intermediate rent, with 30 per cent at or below London Living Rent levels or as Key Worker Living Rent and 70 per cent at a range of genuinely affordable rents. Housing costs should be affordable for households with a range of incomes below the maximum income threshold and set in line with the approach published by the Mayor.
11. For sites on public land and industrial land (where industrial floorspace capacity is not re-provided) the threshold will be 35 per cent minimum, with a minimum of 60 per cent Social Rent (and the remaining as intermediate tenures in line with London Plan policy H6). For utilities sites that are subject to substantial decontamination, enabling and remediation costs a 20 per cent threshold will apply.
12. The time-limited planning route will not apply to sites on or released from Grey or Green Belt, or student accommodation, or purpose built shared living development, or schemes where either of these (or together) are the main uses within the development.
13. Following consultation feedback, the time-limited route window will be **extended to allow validated applications submitted before 31 March 2028**, by which time the new London Plan is expected to have been adopted. After this, a new viability assessed threshold will be in place.

Review mechanism, including triggers and milestones

14. Schemes following the time-limited planning route will be subject to an Early-Stage review mechanism, in the same manner as a scheme following the London Plan's Fast Track Route. This will be triggered where a defined substantial implementation milestone has not been reached within 30 months from the grant of planning permission. In the same manner as the London Plan's Fast Track Route, Mid and Late Stage reviews are not required for schemes following the new planning route.
15. The substantial implementation milestone needs to reflect a level of progress which demonstrates that substantial commencement of the planning permission has been reached. The default should be the construction up to the first-floor slab of a defined residential building in the development or within the first phase of a larger, phased development. In some cases, site or scheme specific circumstances might mean that a different milestone is appropriate. The LPA or the Mayor (where the application is referable to him) can exercise discretion to agree on a different milestone or a different time period from the grant of planning permission. When considering an alternative milestone or time period, the judgement should be appropriate to the specific site or scheme circumstances with the focus on incentivising housing delivery.
16. In all cases where schemes follow the time limited route, a 'long stop' date of five years from the date of planning permission will apply, providing an endpoint at which a substantial implementation milestone must be achieved under the time-limited planning route. If the substantial implementation milestone has not been achieved by this date an Early Stage Review will be triggered.

17. Any Early Stage Review should be carried out in accordance with Mayoral Guidance and where a surplus is identified, 100 per cent of this should be provided to the LPA. Where this surplus is sufficient to support on site social and affordable housing provision, the additional social and affordable homes should be provided within the development prior to the occupation of a specified proportion of market units. Where the surplus identified is insufficient to support on site provision, the surplus should be paid to the LPA as a financial contribution prior to the occupation of a specified proportion of the market units.

Existing consents

18. In some cases, there will be existing consents at higher levels of social and affordable housing than the 20 per cent minimum proposed via the Time Limited Route. Where such schemes are unviable and therefore stalled – in keeping with the stated objectives – immediate steps should be taken to get these schemes moving and accelerate the delivery of homes for Londoners.

19. The Government and the Mayor are clear that developers and local planning authorities should first work together to maximise social and affordable housing on schemes where planning consents are already in place. This includes seeking grant to avoid any potential reductions in social and affordable housing – with the potential to secure grant above the benchmark grant rates set out in the GLA's LPG for projects where it provides value for money to do so. The GLA Housing & Land Team will prioritise strategically important schemes with extant planning consent in grant discussions.

20. Where schemes have not commenced, applicants should also factor in the availability of the time-limited emergency CIL relief – noting that this relief should be granted if schemes meet the eligibility criteria. Applicants should make clear their intention to apply for relief in grant discussions – this information will ensure the grant of relief will be quick and streamlined when the applicants come to formally apply to the relevant borough.

21. Having explored the availability of grant and factored in the available CIL relief, it may remain necessary to amend the scheme due to remaining viability challenges. As the Mayor of London Support for Housebuilding LPG makes clear, applicants who seek to amend their schemes in line with the terms of the new time limited route are not required to submit a full viability assessment. In such instances, applicants would need to seek a deed of variation to the Section 106 agreement and submit a Section 73 application where amendments to conditions are required. Again, the Government and Mayor are clear that ensuring schemes progress and housebuilding is accelerated is the priority, and local planning authorities are strongly encouraged to support applications that meet these minimum levels and conform to the eligibility criteria under the time limited route.

Grant interface

22. Schemes that commit to providing social and affordable housing at or above the relevant affordable housing thresholds under the new time-limited planning route will be eligible for grant funding through the GLA's Accelerated Funding Route.

23. Further details about the bidding process and other requirements to access grant are set out in updated Accelerated Funding Guidance published by the GLA's Housing and Land Directorate, and in the funding guidance for the Affordable Homes Programme 2021-26 and the London Social and Affordable Homes Programme 2026-36. This funding route will be available for projects that are valid planning applications before 31 March 2028.

24. Subject to meeting the conditions and eligibility requirements of GLA funding programmes, grant at set benchmark levels may be sought for homes by unit above the first 10 per cent. Grant may be sought at or above the benchmark grant rates set out for such projects where it provides value for money to do so.

B. Temporary partial relief from the Community Infrastructure Levy

25. The Government consulted on a temporary, targeted Community Infrastructure Levy (CIL) relief to address acute viability challenges affecting residential development in London. We proposed in the consultation that relief would be available to residential developments (excluding student and co-living) in London which do not take place on “excluded land”¹, provided they deliver at least 20 per cent social and affordable housing and would attract a borough-level CIL liability of over £500,000. We also proposed that, in order to access the relief, eligible developments would need to provide summary appraisal viability evidence and commence works after the amendments are made to the CIL regulations but before 31 December 2028, and that, to retain the relief, developments must conduct timely build-out.

26. The Government’s full position is set out in the Government Response to the Consultation on the proposed London Emergency Housing Package. Following consultation, the Government intends to proceed with the time-limited CIL relief, with several adjustments to the policy design to maximise the chances of unviable development being unlocked by this CIL relief and accelerating housebuilding activity.

27. We now propose to:

- a. require viability evidence, but: (i) it will be sufficient for developments to demonstrate through a residual appraisal that they are unviable currently – rather than evidence that the CIL relief is demonstrably necessary to make the development viable; and (ii) clarify that the statutory declarations which must accompany viability evidence should confirm that any inputs and assumptions are fair and reasonable at the point of the application (recognising that these can change over time).
- b. amend the commencement deadline to 31 March 2030 (reflecting the changes made to the time-limited planning route timescales) and set a default expectation of 5 years from commencement to completion (with the ability to deviate from this on a case-by-case basis through agreement between boroughs and developers), with relief being clawed back where this is not met.
- c. to restrict access to CIL relief to residential floorspace, but clarify that relief will not be limited to entirely residential developments (i.e. residential units within mixed use developments will be able to qualify, provided they also meet all other relevant criteria).
- d. focus relief on developments which do not predominantly take place on “excluded land”, but clarify that, where developments straddle multiple types of land with a limited portion on “excluded land”, these will be in scope of relief.
- e. limit relief to developments delivering a minimum of 20 per cent social and affordable housing (the first 10 per cent nil grant), with a higher level of relief available for schemes delivering up to 35 per cent social and affordable housing, but: (i) require a higher minimum of 35 per cent social and affordable housing on public sector and industrial land (where industrial floorspace capacity has not been re-provided) to align with the time limited route; (ii) clarify that at least 60 per cent social rent must be provided, but where social and affordable homes are provided above 35 per cent, their

¹ Land which has been designated Green Belt or Metropolitan Open Land, or which is a park, recreation ground, allotment, golf course or other locally designated open space

tenure is flexible (noting CIL relief is only available up to 35 per cent); and (iii) allow Build-to-Rent developments to meet a different test to the social rent requirement, aligning with the requirements of the time limited route to better reflect the nature of their delivery model.

- f. limit relief to developments attracting a whole-scheme borough-level CIL liability of over £500,000 on eligible residential floorspace, and clarify that, for multi-phased developments where the CIL on later phases is not yet certain, an estimate of overall liability may be provided.

28. Alongside the above, the Government's position is clear that while summary appraisal viability evidence is required as part of the application process, this is deliberately intended to be significantly less onerous than the Full Viability Assessment required by the Viability Tested Route. It is expected to be based on information developers bringing forward schemes will typically already have or could otherwise straightforwardly obtain. The Government accepts that this process will be less detailed than Full Viability Assessments – which will continue to play a vital role in wider planning policy. However, the Government sees this as an important and deliberate design of the emergency package to accelerate overall levels of housebuilding activity – including social and affordable housing – in London.

29. Because the evidence is accompanied by a signed statutory declaration from the applicant, the Government is clear it can be accepted by the relevant borough, with no need or expectation to request additional information or subject applications to scrutiny. As above, this is intended to drive faster levels of housebuilding activity, while also avoiding an administrative burden for boroughs to provide their own viability scrutiny. The Government will set out clear expectations on how quickly applications must be confirmed.

30. Overall, it is proposed that the CIL relief will be available where schemes demonstrate through a residual appraisal that they are unviable. The developer will be required to make a statutory declaration confirming that the inputs and assumptions used in the appraisal are fair and reasonable at the date the appraisal is submitted. Where this information is provided, the local planning authority must grant the relief. In this emergency context, the statutory declaration removes the need for consideration of a full Financial Viability Assessment, which would undermine the certainty developers need to proceed with schemes as quickly as possible.

31. We intend to liaise with London boroughs, developers and other stakeholders on the implementation of the emergency relief from CIL and we intend to consult on the draft CIL amending regulations as soon as possible in the spring.

C. Amendments to guidance that can constrain density

32. We consulted on proposed changes to London Plan Guidance that have, as interpreted, limited the density of developments.

33. To avoid any inflexible application of particular standards in the Housing Design Standards London Plan Guidance 2023 we have withdrawn Standard C4.1, which encouraged new homes to be dual aspect, and Standard B2.5, which suggested that there should be no more than eight homes per floor that are accessed by a single core. To ensure that all new homes provide good quality design, London Plan Policy D6 Housing Quality and Standards will continue to apply.

34. We have introduced time limited guidance in the Mayor of London's Support for Housebuilding LPG which allows more flexibility around cycle parking standards, types of cycle parking and provides guidance on design

and viability considerations. This guidance will apply until 31 March 2028 by which time the new London Plan is expected to have been adopted.

D. Planning Powers

35. The Government consulted on new powers for the Mayor of London to review and call-in applications of schemes of 50 homes or more where a borough is minded to refuse, which would be subject to a streamlined procedure, and to call-in development with more than 1,000sqm floorspace proposed in the Green Belt or Metropolitan Open Land.
36. Following consultation, the Government will bring forward secondary legislation immediately to implement these changes. These new powers will come into force in May. These changes ensure that the Mayor of London's existing planning powers can be used to greater effect to help London meet its housing needs during this housing crisis. The Government is clear that these changes do not weaken existing protections – high quality Green Belt and Metropolitan Open Land will continue to be protected from speculative development. Where very special circumstances for release can be demonstrated, on low-quality land, these powers will ensure that he is able to maximise densities and secure wider community benefits.
37. The Government and GLA have worked closely together on these proposals. The GLA will ensure that there are effective operational procedures and additional resources to support these changes.
38. This builds on wider action being taken through the English and Devolution Community Empowerment Bill to allow the Mayor to grant upfront planning permission through Mayoral Development Orders without the need for borough consent. The Bill also includes powers to decide called-in applications through a faster written representation process that will save up to six months off some decisions.

E. City Hall Developer Investment Fund

39. As part of the emergency package, the GLA has secured an allocation of £324 million via its Integrated Settlement which it will use to establish a City Hall Developer Investment Fund (CHDIF).
40. The CHDIF's initial objective will be to deploy this funding to support interventions on stalled sites, with priority given to projects where homes can be completed by Summer 2029 or earlier.
41. The type of investment will vary depending on the project, but the GLA will recover funding where possible to reinvest into future projects.
42. The GLA plans to publish funding guidance and open for expressions of interest by the end of March 2026.

IMPLEMENTATION AND MONITORING

43. The Government and the GLA will work closely to implement these measures, monitor take-up and impact across boroughs, and assess delivery outcomes, including social and affordable housing delivered through the measures.
44. The measures set out above will be enacted through a combination of secondary legislation to expand the Mayor's planning powers and introduce the temporary CIL relief.

45. On planning powers, the Government will bring forward secondary legislation immediately to implement these changes. These new powers will come into force in May. The Government is committed to implementing the partial CIL relief as quickly as possible through amendments made to the CIL regulations. We intend to consult on the draft regulations to ensure these measures are as effective as possible upon implementation.
46. Changes to the LPG are now live following the Mayoral signature.
47. The Government and the Mayor now expect boroughs, developers and delivery partners to make full use of these measures to approve and build the homes that Londoners urgently need.