# Consultation on proposed regulations for a time-limited relief from the Community Infrastructure Levy in London

**Table of Contents**


Scope of the consultation 3

Topic of this consultation 3
Scope of this consultation 3
Geographical scope 3
Impact assessment 3

Basic Information 4

Body/bodies responsible for the consultation 4
Duration 4
Enquiries 4
How to respond 4

Introduction 6

Policy context 8

The London housing emergency 8
Aims of the proposed time-limited London CIL relief 11
Wider approaches 12

The proposed regulations 14

Qualifying developments 15

Development in London 15
Excluded land 15
Development for residential use 16
Development attracting a borough-level CIL liability of £500,000 and above 17
Development which will provide at least 20 per cent affordable housing 18

Process for securing relief 20

Steps before applying 20
Application fee 21
Level of relief available 21
Viability information required to access the CIL relief 21
Commencing in time to benefit from relief 24

Administration 25

Timescales 25
Monitoring of decisions 26
Clawback provision 26

Questions on the regulations as proposed 27

| | |
|---|---|
| Public sector equality duty and Environmental Principles | 28 |
| Next steps | 29 |
| About this consultation | 30 |
| Personal data | 31 |

# Consultation on proposed regulations for a time-limited relief from the Community Infrastructure Levy in London

## Scope of the consultation

### Topic of this consultation

This consultation seeks views on proposed regulations amending the Community Infrastructure Levy (CIL) Regulations 2010 (as amended) to introduce a new, time-limited relief from borough level CIL for certain qualifying developments in Greater London.

### Scope of this consultation

The Ministry of Housing, Communities and Local Government is seeking views on proposed regulations to implement a time-limited relief from CIL to support housebuilding in London. The proposed relief was announced as part of the Homes for London emergency package in October 2025.

The following documents have been published alongside this consultation:

- a proposed Statutory Instrument ("the proposed regulations")
- a draft pro forma for applicants to submit viability information and an accompanying statutory declaration

This consultation should be read in conjunction with these documents, which frame the Government's proposed approach to implementing the relief. The Government welcomes feedback on these proposals. Your views will help shape any final decisions on the design and operation of the relief.

### Geographical scope

These proposals relate to England only.

### Impact assessment

The Community Infrastructure Levy does not fall within the requirements for regulatory impact assessments.

The responses to this consultation will help to ensure that any proposed changes deliver the intended policy outcomes.

# Basic Information

## Body/bodies responsible for the consultation

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

## Duration

This consultation will last for nine weeks from Thursday 16 July to Friday 18 September.

## Enquiries

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

## How to respond

Citizen Space is the department's online consultation portal and our preferred route for receiving consultation responses. We strongly encourage responses to be made via Citizen Space, particularly from organisations with access to online facilities such as local planning authorities, representative bodies and businesses. Consultations receive a high-level of interest across many sectors. Using the online survey greatly assists our analysis of the responses, enabling more efficient and effective consideration of the issues raised.

Respondents do not need to answer every question.

Respondents should not cite previous questions or remark 'see above'. Due to the way the consultation responses are processed we cannot guarantee your comments will be captured if replying in this way. Any points you wish to raise in response to a question should be set out in full as part of that question's response. The Citizen Space portal will be available at the below link:

https://consult.communities.gov.uk/planning/proposed-london-cil-relief

The Citizen Space survey begins 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.
If you cannot respond via Citizen Space, or you have supporting evidence to accompany your response you may send your response or supporting evidence by email to: LondonCILRelief@Communities.gov.uk

Written responses should be sent to:

CIL Relief Consultation Team
Planning Directorate – Planning Policy Division
Ministry of Housing, Communities and Local Government
Floor 3, Fry Building
2 Marsham Street
London
SW1P 4DF

When you reply, it would be very useful if you please confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:

**1. your name**
**2. your position (if applicable)**
**3. the name of organisation (if applicable)**

Please make it clear which question each comment relates to and ensure that the text of your response is in a format that allows copying of individual sentences or paragraphs, to help us when considering your view on particular issues.

Thank you for taking time to submit responses to this consultation.

# Introduction

In October 2025, the Government and the Mayor of London made a joint announcement – the *Homes for London* package – containing temporary emergency measures designed to improve the viability of housing development in the near term and accelerate the delivery of new housing, including social and affordable homes. The measures include:

In respect of the Mayor:

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 Greater London Authority (GLA) grant to support social and affordable homes above the first 10 per cent of the total homes on the site.
b) 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.
c) An initial 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.

In respect of MHCLG:

d) A proposed temporary and targeted partial relief from the Community Infrastructure Levy (CIL) for certain eligible developments, with higher levels of relief for developments providing more than 20 per cent social and affordable housing.
e) Expanding the Mayor of London's planning call-in powers to call-in and review planning applications for 50 homes or more where a borough is minded to refuse.

A number of elements of the package are already in place. In March, the GLA formally adopted its "Support for Housebuilding" London Plan Guidance (covering (a) and (b) above), and in May the legislation expanding the Mayor of London's call-in powers came into force.

This consultation relates solely to the time-limited London CIL relief policy proposal. In November 2025 the Government first consulted on the outline proposed design of that relief ("the first consultation"); this consultation closed in January 2026 and received 217 responses across a range of stakeholder groups, including London boroughs, developers and professional bodies. The Government published its response in March 2026.[1]

[1] Support for housebuilding in London - GOV.UK

In that response, the Government confirmed that we intend to proceed with a time-limited emergency CIL relief, subject to consultation on the proposed amending regulations. In addition, and informed by consultation feedback, a number of targeted refinements would be proposed to the policy aimed at increasing certainty, simplicity and workability.

This consultation seeks feedback on the proposed regulations, which provides the Government with a further opportunity to explore and ascertain views from respondents on the broad policy proposals, with particular focus on the elements which have been proposed or added since the first consultation. Respondents should also refer to the proposed SI and viability pro forma which have been attached alongside this consultation to aid their understanding.

# Policy context

## The London housing emergency

The need for more safe and secure homes remains acute in London, where housing delivery has faced significant challenges in recent years. Despite the Government's strong track record working closely with the Mayor, particularly on council housing, the capital is building far fewer homes than it needs. 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.

As the table below shows, despite improvements bringing Q4 2025 and Q1 2026 in line with the long-term average – attributable in part to reforms at the building safety regulator to accelerate housebuilding – London housing starts continue to be well below its assessed level of housing need.

| **Source** | **Q2 2025** | **Q3 2025** | **Q4 2025** | **Q1 2026** | **FY 2025-26** |
|---|---|---|---|---|---|
| Molior (private starts) | 882 | 986 | 2,294 | 2,103 | 6,265 |
| MHCLG (private starts) | 740 | 730 | 4,420 | 4,550 | 10,440 |
| MHCLG (all starts) | 870 | 890 | 4,540 | 4,570 | 10,870 |
| Long term average (All starts) | 18,000 per year, or 4,500 per quarter | | | | |
| London housing need | 88,000 per year, or 22,000 per quarter | | | | |

While London housing starts have recovered somewhat in the past two quarters, London housing starts are still relatively weak since Q1 2022 and compared against other regions over the period. Figure 1 below shows all housing starts by region.

An already challenging macroeconomic environment at the time of the first consultation has been further exacerbated by the impact of the conflict in the Middle East. Given its significant exposure to the inflationary pressures generated by these events (particularly those driven by high energy costs), the construction sector is likely to face continued costs challenges. In July this year, the Build Cost Information Service (BCIS) forecast a 13 per cent increase in building costs between Q2 2026 and Q2 2031.[2] In addition, while interest rates had been gradually reducing from a high of 5.25 per cent in mid-2023 to mid-2024, there have been no reductions so far in 2026, with the

[2] Construction Industry Forecast | BCIS

current rate of 3.75 per cent remaining high compared to the decade following the global financial crisis.[3]

In London, these increasing costs have been coupled with flattening sales values. Figure 2 below shows how London house price growth has been lower than all other regions since 2017, and flats have even marginally fallen in value.

**Figure 1 – All housing starts, London vs Other regions. Index Q1 2022 = 100**
Q1 2022 to Q1 2026 (Source: MHCLG**)**

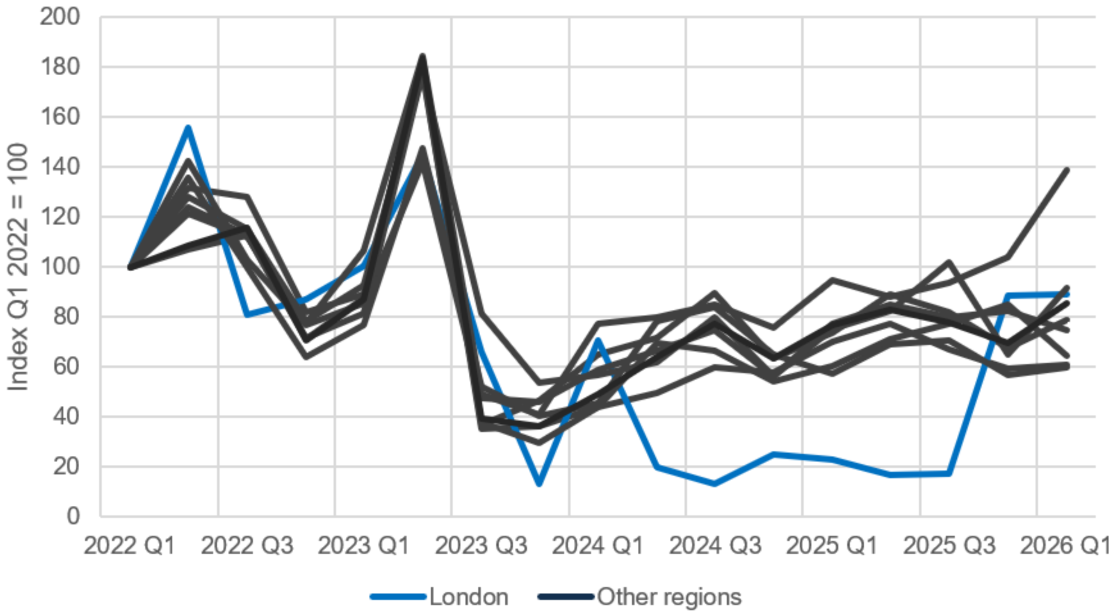
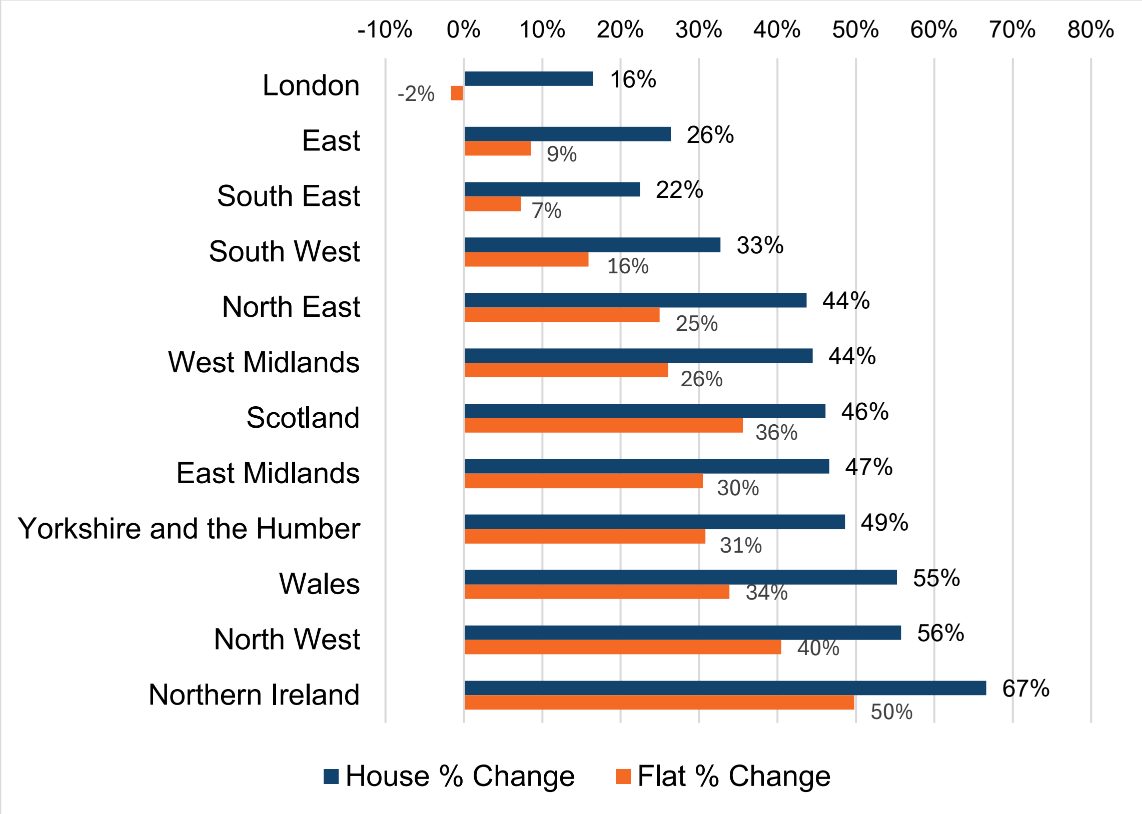



**Figure 2 – Change in house and flat prices, London vs Other regions.**
January 2017 to December 2025 (Source: HM Land Registry)

[3] https://www.bankofengland.co.uk/boeapps/database/Bank-Rate.asp




As well as impacting overall housing starts, the effect of current viability challenges can be seen in the outcomes of recent planning applications proceeding down the viability tested route in London. In recent cases decided by boroughs[4], by the GLA on call-in[5], and by the Planning Inspectorate (PINS)[6] on appeal, large-scale sites (of over 1000 units) have received planning permission with affordable housing at 10 per cent or lower. Use of the viability tested route is sub-optimal for all parties, creating delays and uncertainty for developers, and lacking any wider incentive to increase the delivery of higher levels of affordable housing that Londoners need.

The Government remains committed to the benefits of the CIL regime for delivery of local infrastructure over the long-term, in London and across the country. Nevertheless the overarching aim of CIL is to ensure that the costs incurred in supporting the development of an area to be funded (wholly or partly) by owners/developers of land in a way which does not make development of the  area economically unviable (section 205(2) of the Planning Act 2008).

---

[4] For example, Bromley by Bow in Newham, which will deliver c. 10 per cent affordable housing across the scheme.
[5] For example, Canada Water, which will deliver c. 9 per cent affordable housing across the scheme.
[6] For example, Stag Brewery in Richmond, which will deliver c. 7 per cent affordable housing across the scheme.

London differs to other regions in that it has full CIL coverage, with all London boroughs now charging CIL following its introduction by Ealing Council in March of this year. Further, many London CIL charging schedules are over a decade old, meaning rates have substantially increased due to indexation. Of the 34 London local CIL charging authorities in London (the 32 boroughs, the City of London Corporation, and Old Oak Common Development Corporation), 21 have charging schedules from before 2016, meaning the CIL rates within them have increased by over 50 per cent solely due to indexation, and will likely not be reflective of the current viability context.

The Government's Planning Practice Guidance (PPG) states that CIL charging authorities "must keep their charging schedules under review and should ensure that levy charges remain appropriate over time" (see Paragraph: 045 Reference ID: 25-045-20190901).  All CIL charging authorities, including London Boroughs, should therefore revise charging schedules as necessary to ensure this remains the case. As noted in the first consultation, the Government recognises the time this can take for authorities, which is why a time-limited CIL relief has been proposed to reduce CIL costs and improve the viability equation in the short term. In line with PPG, the Government expects that, once the commencement deadline for the proposed London CIL relief has passed, rates across London should have been reviewed and revised as necessary to ensure they are appropriate over the longer term.

## Aims of the proposed time-limited London CIL relief

In response to this situation and context above, the time-limited London CIL relief is aimed at encouraging more schemes to come forward with greater levels of affordable housing than would otherwise have been the case, and for these to be built out and delivered as quickly as possible. The proposed design of the relief is reflective of these aims, as well as the fact that CIL remains an important funding source for boroughs. The proposed relief therefore remains partial, and conditional on developments meeting targeted qualifying criteria and providing the required viability evidence.

Relief is proposed to be available for schemes which (provided all other proposed qualifying criteria are met) deliver at least 20 per cent affordable housing. The decision to propose this level of affordable housing is based on the judgement that this will provide a clear incentive for developers to deliver at this level or above, rather than choosing to enter lengthy viability negotiations which can delay delivery and are in practice leading to much lower levels of affordable housing than 20 per cent The policy is therefore aimed at increased affordable housing delivery overall, including (given the relief's proposed tenure requirements) housing for social rent. To achieve this, the incentive must be calibrated such that the benefits – principally speed and certainty, which respondents to the first consultation were clear that developers and their investors place a high premium on – outweigh the converse incentive of seeking a lower level of affordable housing through the viability tested route.

Further information on the Government's approach is set out in "Homes for London: Final Package of Support for Housebuilding in the Capital", which can be found on gov.uk here, and in the "Government Response to the Consultation on the proposed London Emergency Housing Package", which can be found on gov.uk here.

## Wider approaches

Before proposing a time-limited relief, the Government considered whether alternative measures could effectively address viability challenges affecting residential development in London at pace, while supporting the delivery of affordable housing. This included consideration of a range of options suggested by respondents to the first consultation.

The Government considered whether a discretionary relief could provide an effective response. Discretionary Exceptional Circumstances Relief (ECR) is already available within the CIL framework but has seen limited uptake in practice. Most London boroughs do not have an ECR policy in place, which is a prerequisite for granting the relief. In addition, the grant of relief remains subject to a case-by-case discretionary decision, which reduces certainty for applicants.

The Government also considered deferred payment arrangements. Charging authorities can already permit CIL liabilities to be paid by instalments where an instalments policy is in place. While such arrangements may provide cashflow benefits to developers, they have a limited impact on development costs relative to the grant of relief. Given the scale and urgency of the housing challenge in London, the Government considers that more impactful intervention is required to address viability constraints and support housing delivery than payment deferrals.

Finally, the Government considered whether changes to the operation of CIL indexation could alleviate viability pressures in London. However, the impacts of indexation vary significantly across London boroughs, reflecting a difference in charging schedule rates. Removing or altering how indexation currently operates could therefore produce unequal impacts between boroughs. The Government recognises that the proposed London CIL relief will lead to different impacts in different boroughs due to differing CIL charging schedules, but considers that a targeted, time-limited relief provides a more proportionate and consistent means of addressing current viability challenges.

Beyond the above proposals relating to the operation of the CIL regime, the Government also considered the merits of setting different affordable housing requirements across different areas and land types, or allowing local planning authorities to establish their own affordable housing requirements for development in their area to access the proposed time-limited relief. The Government is already proposing that different and higher affordable housing requirements will apply for developments which take place on public and industrial land in certain instances, alongside wider qualifying criteria relevant to land types. However it is the Government's view that setting multiple affordable housing requirements, for example based on differences in viability (e.g. within / between boroughs or by residential development type / size) or allowing boroughs to set their own qualifying level of affordable housing, while theoretically able to account for greater local sensitivity, would compromise the key objective of timely delivery. The proposed approach is intended to support speed of implementation and help to ensure a transparent and consistent approach for all parties. It is proposed that viability constitutes a standalone qualifying criterion, with developments required to demonstrate through a residual appraisal that they are financially unviable. Accordingly, it would be expected that uptake of the relief would be lower in boroughs where development viability is less constrained.

The Government nonetheless recognises the importance of incentivising greater levels of affordable housing where possible. This is why the level of relief available is linked closely to the level of affordable housing delivered. While a 50 per cent relief is proposed where 20 per cent affordable housing is delivered by a development, this increases linearly with affordable housing levels – so relief can be up to 80 per cent where 35 per cent or more affordable housing is delivered. As well as incentivising affordable housing delivery, the proposed levels of relief are aimed at balancing the need for a meaningful level of CIL revenue for authorities whilst providing a sufficient real terms cost reduction for developments to support their ability to proceed. The Government again considered a differentiated approach (e.g. splitting London into different value bands, each with different rates underpinned by viability evidence) but, given site-level viability would still vary considerably within these bands, the site-level viability appraisal was favoured – the proposed approach was considered more appropriate in preventing schemes which are currently viable from accessing the relief.

# The proposed regulations

The proposed Statutory Instrument (SI) shared alongside this consultation is to aid understanding of the broad framework of the policy proposals. It refers to five proposed new CIL regulations, which are proposed to be added to Part 6 of the Community Infrastructure Levy Regulations 2010 (as amended), which covers “exemptions and relief”. The proposed new regulations follow a similar structure to other exemptions and reliefs contained within Part 6, mirroring existing language where possible.

**Regulation 54E** sets out the proposed conditions which must be met for a chargeable development to be granted “London time-limited relief”. It includes definitions for terms included where these are not already defined within the existing CIL regulations.

**Regulation 54F** sets out the proposals for how the amount of relief for a given chargeable development is to be calculated. It includes the formula by which relief rises linearly from 50 per cent to 80 per cent as affordable housing rises from 20 per cent to 35 per cent.

**Regulation 54G** sets out the proposed procedure by which the relief must be claimed, including what a relief claim must contain, and how a relief claim must be processed and responded to.

**Regulation 54H** sets out the proposed disqualifying events which will result in some or all relief given being clawed back, and how these must be notified.

**Regulation 54H** sets out the proposed circumstances under which an information notice may be issued, and the consequences for failing to comply with such a notice.

The proposed SI also includes a number of proposed amendments to existing CIL regulations. These include:

- A defined “clawback period” within which disqualifying events can occur (in line with other reliefs). This is “the period beginning with the granting of the relief and ending with the date of the last compliance certificate relating to the total development.” “Total development” includes all phases of a multi-phase scheme.

- Technical changes to ensure that, where other regulations explicitly pertain to reliefs and exemptions, London time-limited relief is appropriately referenced.

- Additions to the abatement regulations to ensure they do not apply where London time-limited relief has been given, so that any CIL previously paid by a chargeable development does not benefit from the relief.

The remainder of the consultation document covers the various proposals and features of the London CIL relief, references the relevant proposed regulation for each, and asks a number of related questions. Where respondents wish to provide feedback on aspects of the policy not covered by these questions, there are open questions provided at the end.

# Qualifying developments

## Development in London

See proposed regulation 54E.

The first consultation proposed that the relief should be geographically limited to Greater London and apply only to borough-level CIL, reflecting the particular housing delivery challenges in the capital. Feedback from that consultation has not resulted in an alteration to this proposal, therefore it is still proposed that the emergency relief remains a London-specific and borough-level measure.[7]

## Excluded land

See proposed regulation 54E.

The first consultation proposed that the relief should not apply to development on 'excluded land', defined 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.

The Government's response, published in March, confirmed that development on excluded land should generally remain outside the scope of the relief. The Government continues to consider this is the appropriate approach, as development on such land is often less likely to face the viability challenges that the emergency relief is intended to address, including the additional costs commonly associated with previously developed land.

However, the Government also recognises concerns that a blanket exclusion could lead to unintended outcomes for schemes that span different land types. We therefore propose that developments comprising multiple land typologies could remain eligible where only a limited proportion of the site constitutes excluded land, and suggested a possible threshold of between 10 per cent and 25 per cent

[7] Support for housebuilding in London: package of support - GOV.UK

The Government considers it is important that the definition of excluded land is sufficiently clear to enable applicants and charging authorities to determine with certainty whether a site falls within the scope of the relief, while avoiding unintended consequences for mixed-typology sites. The Government is therefore interested in views on how straightforward it would be to evidence and verify the extent of excluded land within a site – for example, using information already submitted through the planning process – and whether there is a risk that site boundaries could be manipulated to bring development within scope of the relief.

**Question 4: What is the maximum proportion of the site that should be permitted to fall on excluded land for the development to remain eligible for the relief? Please explain your reasoning.**

Options: 10 per cent, 15 per cent, 20 per cent, 25 per cent, Other

Please explain your reasoning

**Question 5: How straightforward would it be to evidence and verify the proportion of a site on excluded / non-excluded land, in a way which minimises scope for gaming?**

Please explain your reasoning

## Development for residential use

See regulation 54E.

The first consultation proposed that relief should be restricted to residential development, and should exclude student and co-living accommodation, with the policy intended to focus on development contributing directly to the long-term housing needs in London. It also reflects the fact that the student and co-living development position in London differs markedly from that of broader residential development according to GLA monitoring data (see section 3.3 of the first consultation).

The March response confirmed that this core proposition would be retained. However, the response clarified that the relief would apply to eligible residential units, whether the development is wholly residential or mixed-use. The proposed regulations use the concept of "residential part", which also factors in communal space for residents.

**Question 6: Do you agree that the residential part of mixed-use developments should be eligible for relief?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 7: Do you agree that CIL liability attributable to the floorspace of communal space for residents should be eligible for relief?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

In the March response, the Government committed to considering feedback received on how to restrict relief to residential use in the proposed regulations. While respondents supported the use of existing use classes, the proposed regulations do not propose using the residential use classes (C3/C4), in recognition of the fact that some student accommodation and co-living accommodation may fall within these. The proposed regulations instead use the concept of “dwelling”, with student and co-living accommodation being “excluded dwellings”. In line with the policy intention of supporting long-term housing, dwellings “intended only to be occupied on a temporary basis” are also excluded.

**Question 8: Do you agree with the proposed approach to defining excluded dwellings?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 9: Do you agree with the use of “dwelling” (as opposed to the residential use classes) to define residential?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 10: Do you agree with excluding from the relief dwellings that are intended only to be occupied on a temporary basis?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

## Development attracting a borough-level CIL liability of £500,000 and above

See proposed regulation 54E.

The first consultation proposed that the relief should be limited to developments attracting a borough-level CIL liability of £500,000 and above. The March response considered that this threshold should be retained, and clarified that the relevant threshold should be assessed by reference to the borough-level CIL liability attributable to the eligible residential part of the whole scheme (termed “total development” in the proposed regulations), rather than to individual phases of development. Recognising this may not always be known at the outset (e.g. where the floorspace on future phases is reserved at outline). The proposed SI takes an approach which would allow an estimate to be provided, as these are commonly prepared for Planning Committee reports.

In consulting on the way forward, the Government is interested in whether the proposed approach can be applied consistently without creating unnecessary complexity or uncertainty and, if not, whether a chargeable development-based threshold would be preferable.

**Question 11: Do you support the £500k threshold applying to the total development (inclusive of all phases), rather than the chargeable development?**
Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 12: Do you foresee any risks or unintended outcomes as a result of allowing estimated CIL liabilities for the purposes of calculating the £500k threshold? Do you have any other observations to make on how this issue can be addressed?**

Please share your views

## Development which will provide at least 20 per cent affordable housing

See proposed regulation 54E.

The first consultation, and the March response, proposed that relief should be available to schemes which deliver at least 20 per cent affordable housing. The justification for this is set out in the ‘Policy context’ section of this consultation.

The proposed regulations require a planning obligation to be entered into which satisfies the affordable housing requirement. Affordable housing is defined using the existing CIL Social Housing Relief conditions (see reg 49).

The first consultation also proposed that grant would not be available for 10 per cent of affordable homes, and at least 60 per cent of the affordable housing must be provided as social rent. Homes at social rent levels play a critical role in providing housing for low-income households, which are largely nominated by councils and face difficulties in securing or sustaining housing on the open market.[8]

The March response clarified that the 60 per cent social rent requirement would apply to the first 35 per cent of affordable homes, meaning there would be tenure flexibility on any affordable housing over and above this. Therefore, for qualifying schemes which deliver between 20 and 35 per cent affordable housing, 60 per cent of those affordable homes must be delivered as social rent. This reflects the fact that the level of CIL relief does not increase beyond the maximum of 80 per cent where 35 per cent or more affordable housing is delivered.

**Question 13: The Government welcomes views on the proposed approach of requiring both a planning obligation and the affordable housing requirements set out in the CIL social housing relief to be satisfied in the affordable housing requirements.**

Please share your views

**Question 14: Do you agree with the proposal to allow tenure flexibility for affordable housing over and above the first 35 per cent of affordable homes.**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

The response additionally proposed that development on public and industrial land (where industrial floorspace has not been re-provided) would be required to deliver a higher minimum level of affordable housing (35 per cent) in order to qualify for the CIL relief. This reflects the Government's view that development on such land should maximise public benefit.

The proposed regulations propose setting out a formula for calculating the minimum level of affordable housing that must be provided where part of the development is on private land and part of the development is on public or industrial land. The intention is to ensure that the policy applies proportionately and transparently across mixed sites. [9]

**Question 15: Do you agree that development on public sector land should be subject to a minimum 35 per cent affordable housing threshold in order to qualify for the CIL relief?**

---

[8] London Social and Affordable Homes Programme 2026-36 funding guidance: London Social and Affordable Homes Programme 2026-36 | London City Hall

[9] practice_note_on_threshold_approach_to_affordable_housing_on_public_land_july_2018.pdf

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 16: Do you agree that development on industrial land (where industrial floorspace capacity has not been re-provided) should be subject to a minimum 35 per cent affordable housing threshold in order to qualify for the relief?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

The March response also proposed that Build to Rent schemes can qualify for the relief through an alternative tenure requirement, reflecting the nature of their delivery model. That response proposed that qualifying Build to Rent schemes would be able to provide their affordable housing as Discounted Market Rent, with at least 30 per cent of affordable homes at or below London Living Rent levels or Key Worker Living Rent, and the remaining affordable homes provided at a range of genuinely affordable rents.

In the proposed regulations, a development meeting the criteria in Policy H11 of the London Plan can deliver its affordable housing as "intermediate rent accommodation where at least 30 per cent of the housing units comprised in the total development are to be rented out at or below the London Living Rent (at the rate published by the Mayor of London in January 2026) ". Key Worker Living Rent has not been explicitly referred to because, as a newer affordable housing type, it is not referred to in H11 of the 2021 London Plan; however, it would be captured if it is subsequently included.

**Question 17: Do you agree that BtR developments which meet the relevant criteria should be able to qualify for relief by satisfying an alternative affordable housing tenure requirement, rather than the general requirement that at least 60 per cent of the affordable housing provided should be Social Rent?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

# Process for securing relief

### Steps before applying

See proposed regulation 54E.

The first consultation set out that, before applying for the relief, applicants should ensure that their scheme has already agreed its planning obligations (including the amount of affordable housing to be secured) in a final/agreed section 106 agreement, and have confirmed any grant funding for the scheme.

The March response confirmed this position, and the proposed regulations place these up-front as conditions, recognising the importance of clarity and certainty for applicants.

## Application fee

See proposed regulation 54G.

The first consultation included the proposal for a set fee of £25,000 to be paid when the relief is applied for, and the March response proposed to maintain this approach. The proposed regulations propose that this fee must be paid on application for relief to the charging authority. The Government intends that either the regulations or associated guidance will cover when and how this may be spent, ensuring the regulations themselves are as simple as possible and recognising that boroughs will be best placed to take decisions on how to use the funds most effectively.

## Level of relief available

See proposed regulation 54F.

The March response retained the proposal that schemes delivering 20 per cent affordable housing should receive 50 per cent relief from borough-level CIL, increasing linearly to a maximum of 80 per cent relief where 35 per cent affordable housing is delivered. The policy context section of this consultation sets out the evidence and justification for this.

The proposed regulations include a formula which should be used to determine the exact level of relief available depending on the level of affordable housing being provided.

## Viability information required to access the CIL relief

See proposed regulation 54G, and the draft pro forma.

Following the first consultation, respondents were clear on the importance of the process for securing relief – including the viability evidence required – being quick, certain and predictable. This ensures the availability of the CIL relief provides a clear incentive to not follow the more onerous and protracted viability tested route which has been delivering low levels of affordable housing in London in recent years.

In that first consultation, the Government had proposed that viability evidence would need to show that CIL relief is demonstrably necessary to make the development viable. However, some respondents indicated that it will be difficult for schemes to definitively evidence that a scheme will be made viable by the CIL relief alone. This is because the application of CIL relief will be one of a number of inputs and assumptions which together impact overall viability and so enable a scheme to be delivered.

The March response therefore proposed a revised approach. Under the revised approach, the applicant would need to demonstrate through a summary residual appraisal that the scheme is currently financially unviable, rather than needing to show that the relief alone would unblock viability issues. The viability evidence is intended to be less onerous than the Full Financial Viability Assessment required by the viability tested route. It is intended to require information that developments bringing forward schemes will typically already have, or could otherwise straightforwardly obtain. The appraisal must also be accompanied by a statutory declaration confirming that the inputs and assumptions that have been made/used are fair and reasonable at the point of application, and that the appraisal has been prepared by a suitably qualified practitioner based on the information available to them at that time. If these requirements are satisfied, the intention is that the application should be accepted by the relevant charging authority, without any need or expectation to request additional information or subject applications to detailed scrutiny.

While the Government is minded to pursue the revised approach, this remains an area under active consideration, and the Government welcomes views from respondents on the relative merits and drawbacks of the original proposal and revised proposal, with respect to ensuring simplicity of process while also ensuring relief is targeted at the viability challenges it is designed to respond to. The Government will consider more detailed information on this issue before any final decisions are taken.

**Question 18: Do you think that applicants for the relief should be required to provide evidence that a scheme is financially unviable in order to be eligible for the CIL relief (i.e. the revised approach set out in the Government response in March 2026)? If you agree, please explain why. If you disagree, please explain why.**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning and any other observations you may wish to make.

**Question 19: Do you alternatively think that applicants for the relief should be required to provide evidence that a scheme will be made viable by the CIL relief (i.e. the original approach set out in the consultation in November 2025)? If you agree, please explain why. If you disagree, please explain why.**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning and any other observations you may wish to make.

**Question 20: The Government welcomes views on how best to ensure that, in cases where relief is granted, the amount of relief given is proportionate to the viability challenge facing the scheme.**

Please share your views and observations on this issue.

The Government intends that the summary residual appraisal should be submitted using a standard pro forma. The Residual Appraisal Summary Template will require basic scheme information alongside total amounts of typical appraisal headings, so that the required information can be taken from the applicant's own appraisals. The intention is to ensure consistency in the information that is submitted by applicants, and support charging authorities in applying a consistent approach.

The Government has shared, alongside this consultation, a draft of the proposed pro forma in spreadsheet format. The spreadsheet automatically conducts basic analysis of the figures that are provided by the applicant, and benchmarks these against a range, highlighting via conditional formatting where figures fall outside the expected range. This prompts the applicant to provide a justification for why this is the case before they submit the form – in line with the position set out in March's response, this is intended to minimise the need for authorities to request further additional information.

The spreadsheet includes two templates, one with a Residual Land Output to be compared to a Benchmark Land Value (BLV) and a second with a Residual Profit Output benchmarked to a profit on a Gross Development Value (GDV) metric. Where the profit approach is being adopted, a BLV will be included as a fixed land value.

**Question 21: Do you agree that Government should require applicants to submit a pro forma for viability evidence?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 22: Do you have any views on how the draft pro forma (the "Residual Appraisal Summary Template") could be improved, including if any additional or different information should be sought?**

Please explain your reasoning

The Government intends to work with boroughs on the data to inform benchmarks - this will vary by borough, where this is best drawn from their existing policies.

**Question 23: Do you agree with the use of benchmarking against datasets derived from individual boroughs?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

The Government has also shared a statutory declaration template, and intends that this must be used by applicants. Statutory declarations that depart from the prescribed wording would not be accepted for the purposes of claiming relief.

**Question 24: Do you agree with the proposed wording for the statutory declaration?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 25: Do you have any observations on the use of the statutory declaration as a method of securing the required assurances?**

Please explain your reasoning

## Commencing in time to benefit from relief

See proposed regulation 54H.

The first consultation proposed a process where applicants would be required to apply to the relevant charging authority before development commenced, supported by viability evidence, and subject to the condition that the development must commence after the new relief came into force and before 31 December 2028.

In recognition that completion of the relevant steps may take time, and that this requirement of commencement before 31 December 2028 would be prohibitively challenging in some cases (particularly for new developments brought forward), the March response proposed that the commencement deadline is extended to 31 March 2030.

**Question 26: Do you agree that the revised commencement deadline of 31 March 2030 provides a more workable timeframe for development to follow the required steps and apply for the relief?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

# Administration

### Timescales

See proposed regulation 54G.

As set out in the first consultation, the Government expects applications to be processed promptly, and to this end has sought to make the proposed administrative requirements as clear and simple as possible in the regulations. The procedure aligns closely with existing CIL reliefs. Provided that a claim is submitted on time, in the prescribed form, with all required submissions, it is valid and, where the qualifying criteria are met, relief must be granted at the applicable percentage rate.

The Government recognises that the introduction of a new relief will create additional administrative responsibilities for charging authorities. We will therefore engage with the Planning Advisory Service (PAS) on how best to support LPAs in administering the relief.

The March response states that the Government will set out clear expectations on how quickly applications must be confirmed. The proposed regulations set out that a claimant must be notified of a decision on their claim within 28 days. Given the relief itself is time-limited in nature, it is important that the time within which an application decision is confirmed is set out clearly in the regulations, giving all parties the required certainty. This proposed timescale is informed by typical timeframes for other reliefs, based on engagement with boroughs.

**Question 27: Do you agree with the proposed timescales for LPAs to determine relief applications?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 28: Do you agree with the proposed timescales developers must follow when returning requested information during the new relief application process?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

## Monitoring of decisions

The March response confirmed the approach that the Government will collect a representative sample of relief 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 boroughs, in line with regulations and guidance.

## Clawback provision

See proposed regulation 54H.

The first consultation proposed that relief should be contingent on timely build-out and envisaged clawback where development did not deliver the agreed level of affordable housing. The March response refined that approach by introducing a default expectation that development should be completed within five years of commencement, while allowing for deviation from this on a case-by-case basis by agreement between charging authorities and developers.

The proposed regulations contain a specific regulation for withdrawal of relief, in line with other CIL reliefs. Further to the above, the drafting includes disqualifying events, triggered if schemes fail to deliver other aspects of the policy, including the requirement to commence before 2030, and the requirement to secure all other CIL reliefs before London CIL relief. In addition, the proposed regulations contain a provision for partial clawback of the CIL relief if the amount of affordable housing is reduced but continues to be at least 20 per cent of the housing units. In these circumstances, relief will be clawed back so that the level of relief being given aligns with the revised level of affordable housing being delivered.

The proposed draft regulations also include provision for disqualifying events if the qualifying criteria for the proposed CIL relief are no longer met. If the level of social rent housing falls below 60 per cent for the first 35 per cent of affordable housing being delivered, or if the level of grant increases so that 10 per cent of affordable homes are no longer being delivered without grant, the relief will be clawed back.

The proposed regulations also include the suggested additional proposal that relief would be clawed back if a given amount of affordable housing is not completed before a given amount of the other housing units in the total development are occupied. The Government proposes to ensure timely delivery of affordable housing; without it, a large, multi-phased development could benefit from relief on an early phase but not deliver the required affordable until a later phase, which may be commenced many years into the future.

**Question 29: Do you agree that, as a default position, development should be expected to complete within five years of commencement in order to retain relief?**

Strongly agree / Partly Agree / Neither Agree nor Disagree / Partly Disagree / Strongly disagree

Please explain your reasoning

**Question 30: The Government welcomes examples of circumstances in which a longer timeframe would be needed, and whether case-by-case agreement would allow for this.**

Please share your views

**Question 31: Do you consider the proposed additional clawback mechanism to be necessary? If not, what safeguards already exist to ensure that relief is not provided on phased developments and affordable housing delivery subsequently delayed to later stages? Are there wider considerations, including current market conditions, which render such concerns unnecessary?**

Please share your views

## Questions on the regulations as proposed

**Question 32: Do you have any other views on how regulation 54E could be revised to ensure the relief achieves the intended objective?**

**Question 33: Do you have any other views on how regulation 54F could be revised to ensure the relief achieves the intended objective?**

**Question 34: Do you have any other views on how regulation 54G could be revised to ensure the relief achieves the intended objective?**

**Question 35: Do you have any other views on how regulation 54H could be revised to ensure the relief achieves the intended objective?**

**Question 36: Do you have any other views on how regulation 54I could be revised to ensure the relief achieves the intended objective?**

**Question 37: Do you have any other views on how any other aspects of the proposed Statutory Instrument could be revised to ensure the relief achieves the intended objective?**

**Question 38: Do you have any other observations to make on any of the proposals in this consultation?**

# Public sector equality duty and Environmental Principles

In the first consultation, we asked to hear about 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, to assist in deciding the final policy approach – in line with the Public Sector Equality Duty. Similarly, we asked to hear about any impacts identified under the five environmental principles set out in the Environment Act 2021.

We continue to welcome views on these points to ensure we can have regard to potential impacts.

**Question 39: We need to assess the equality implications of the policy (i.e. understanding who the policy will impact on and what this impact may be; and then decide what the department needs to do about it (if anything)). 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 share your views.

**Question 40: Is there anything that could be done to mitigate any impact identified?**

Please share your views.

**Question 41: 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?**

Please share your views.

# Next steps

Subject to the outcome of the consultation and consideration of responses received, the Government intends to progress the proposed regulations and accompanying materials as quickly as possible. The Government's overall position remains that unnecessary legislative delay would risk undermining the effectiveness of the emergency relief, and that the relief should be implemented as soon as possible through amendments to the CIL Regulations 2010. Responses to this consultation will be used to further develop and refine the design of the relief so that it can operate effectively and consistently in practice.

# 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 only 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 any 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.

# 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.