


The Government urges housebuilders to ‘Get on and Build’

30 May 2025  Anna Clifford

The Government have issued a planned set of measures aimed at house builders delivering more houses more quickly and unlocking ‘stalled consented sites’ that the government believe housebuilders are sitting on to control the market.

The main proposals

- **Timeframes for delivery set before Planning:** Housebuilders will be required to set a timeframe for delivering housing developments of more than 50 units before planning is granted.
- **Annual Reporting requirements:** Housebuilders will have to submit annual reports showing progress to Councils and failure to meet delivery programmes could result in a ‘Delayed Homes Penalty’
- **Council powers to acquire consented sites:** Where housebuilders deliberately sit on consented sites, Councils will have rights to acquire those sites and the housebuilders may be stripped of future planning permissions.

Impact

These proposals on the face of it seem to reflect what housebuilders want to be doing – building houses. However, my view from the housebuilders that we work with is, given the time and cost involved in obtaining planning consent, once a site is consented they want to get building, and selling new homes, as quickly as possible. There can be many reasons for the delays with only a few of the biggest housebuilders wanting to control the market. A main cause of delay can be unforeseen costs and a lack of sales – forcing building to continue in these circumstances may cause more developers to exit the market for financial reasons, further exacerbating the current issues.

The extra hurdle of agreeing a realistic time frame that housebuilders will want to be confident that they can achieve so they don’t face what seem to be fairly high penalties will only delay the planning process further – the one thing that all housebuilders unanimously say needs to be sped up to increase the delivery of houses. It may also be seen by local planning authorities to be another burden on them when they are already under resourced, when perhaps a more targeted approach for the ‘land banking’ offenders would be more appropriate.

Separately, hard to see how these proposals will impact situations where it is not the housebuilder obtaining the planning permission; will land promoters be reluctant to pursue planning applications for fear of getting the delivery timeframe wrong and affecting the onward sale?

Whilst we agree that further Government intervention in the housing market and wider regeneration is needed, we can foresee significant difficulty with these proposals and uncertainty at a time when confidence is required.

What next?

The Government has produced a ‘Speeding Up Build Out’ paper alongside a technical consultation on transparency and accountability measures for build out rates on housing sites. They have also announced earlier this week proposed changes for smaller developments (up to 50 units) so it appears that when the policy is firmed up, there will be a separate approach for applications with less than 50 units and those over 50 units. Therefore, we wait to see how and when the proposals will become implemented policy.

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