

House of Commons: Written Statement (HCWS1187)

Ministry of Housing, Communities and Local Government

Written Statement made by: **Minister of State for Housing and Planning (Matthew Pennycook)** on 16 Dec 2025.

Planning Reform: Next Phase

England remains in the grip of a housing crisis that is both acute and entrenched. The detrimental consequences of this disastrous state of affairs are now all pervasive: a generation locked out of homeownership; 1.3 million people languishing on social housing waiting lists; millions of low-income households forced into unaffordable private rented housing; and more than 170,000 homeless children living in temporary accommodation.

Our economy, and the public services we all rely on, are suffering too because as well as blighting countless lives, the housing crisis is consuming ever larger amounts of public money in the form of a rapidly rising housing benefit bill and it is hampering economic growth and productivity by reducing labour mobility and undermining the capacity of our great towns and cities to realise their full economic potential.

The monumental scale of the challenge that this government inherited demanded a commensurate response. That is why we committed ourselves, unashamedly, to an incredibly stretching housebuilding target of 1.5 million new safe and decent homes in this Parliament. And it is why we acted quickly and boldly to put in place the foundations of a revamped planning system that will facilitate the delivery of high and sustainable rates of housebuilding in the years ahead.

Within three weeks of taking office, we moved to consult on changes to the National Planning Policy Framework (NPPF), finalising them in December 2024. Amongst the many changes made in that initial revision to the Framework were the restoration and raising of mandatory housing targets; a new Standard Method for assessing housing needs aligned to our 1.5 million new homes target; greater support for social and affordable housing provision; a strengthening of policy relating to brownfield land development; a modernised, strategic approach to Green Belt land designation and release; and enhanced support for key economic sectors and clean energy infrastructure.

In March, we introduced our landmark Planning and Infrastructure Bill. The Bill will speed up and streamline the delivery of new homes and critical infrastructure, supporting delivery not only of the government's 1.5 million new homes target but also our Plan for Change milestone of fast-tracking 150 planning decisions on major economic infrastructure projects by the end of this Parliament. It will also support delivery of the government's Clean Power 2030 target by ensuring that key clean energy projects are built as quickly as possible. As a result of its swift passage, it is due to receive Royal Assent before the House rises on Thursday.

Over recent months, we have carefully considered the extensive feedback we have received to a range of policy propositions from a brownfield passport to reforming site size thresholds in the

planning system. As a result, I am today setting out details of the next phase of this government's planning reforms alongside a comprehensive package of support for small and medium-sized housebuilders.

A revised National Planning Policy Framework (NPPF)

We are today publishing a fuller and more definitive overhaul of the NPPF for consultation. It is the culmination of a sustained effort over the first 17 months of this Parliament to revamp our planning system so that it meets housing need in full and unleashes economic growth, and represents the most significant reform to national planning policy since the original NPPF was introduced more than a decade ago.

This wholly restructured Framework maintains and builds on the initial revisions we made in December last year; includes a range of new measures to support key economic sectors; and incorporates new clear and rules-based national policies for both plan and decision-making. These proposals will make the NPPF easier to navigate for communities, local authorities, and developers alike.

As a result of the not insignificant risk and uncertainty that such an approach entailed, we have taken the decision not to proceed with statutory National Development Management Policies (NDMPs) at this stage. Instead, we have chosen to swiftly realise their benefits through agile national policy changes, while leaving open the possibility of a future transition to statutory NDMPs should it be required.

The new decision-making policies in the Framework published today are therefore designed to make development management more certain, consistent and streamlined; to standardise policies that apply across the whole of England; and to reduce duplication and avoid unjustified local deviation from national policy in local plans. To ensure that these changes make an immediate difference, the government is proposing that the new national decision-making policies effectively override conflicting policies in local plans from day one.

As part of this overall change to the Framework, we are also proposing new policies to boost housing supply and unlock economic growth in the years ahead:

- 1. A permanent presumption in favour of suitably located development.** We want to make clear what forms of development are acceptable in principle in different locations as part of creating a more rules-based approach to development. For urban land, this approach takes forward parts of our 'brownfield passports' work and builds on the December 2024 Framework update, by making development of suitable land in urban areas acceptable by default. As part of this change, we are also proposing a revised presumption in favour of sustainable development, underpinning the way the new policies direct different forms of development to the most appropriate locations – in effect applying a permanent presumption in favour of suitably located development.
- 2. Building homes around stations.** We want to establish 'in principle' support – a "default yes" – for suitable proposals that develop land around rail stations within existing settlements, and around 'well-connected' train stations outside settlements, including on Green Belt land. We are also proposing a minimum density of 40 dwellings per hectare around all stations and 50 dwellings per hectare around 'well-connected' stations – maximising opportunities for sustainable development, making the most of high levels of connectivity, and improving access to jobs and services.
- 3. Driving urban and suburban densification.** We want to get the most use out of land in urban

and suburban areas, including through the redevelopment of corner and other low-density plots, upward extensions and infill development – including within residential curtilages. These changes will support higher density development in sustainable locations, with good access to services. We are also setting clear expectations that authorities should set minimum densities in well-connected locations, including around train stations and town centres, and support an overall increase in density within settlements.

4. **Securing a diverse mix of homes.** We want to better support the needs of different groups through the planning system. This includes stronger support for rural social and affordable housing and setting clearer expectations for accessible housing to meet the needs of older and disabled people. It also means providing more flexibility on the unit mix of housing for market sale, where local requirements have been met for the mix of affordable homes.
5. **Supporting small and medium sites.** We want to make it easier to bring forward small sites, through clear support for the principle of development in different locations, the policies on building more densely in settlements and strengthened support for mixed tenure development. We are also introducing a category of ‘medium development’ (see Annex C of this consultation document), linked to a range of policy and regulatory easements, to support a more streamlined and proportionate planning system – including exploring further the potential benefits and drawbacks of enabling developers to discharge social and affordable housing requirements through cash contributions in lieu of direct delivery.
6. **Streamlining local standards.** We want to promote certainty for applicants and speed up local plan production by limiting quantitative standards in development plans to only those specific issues where local variation is justified. We also want to limit duplication of matters which are covered by the Building Regulations – other than where there is the existing ability to use ‘optional technical standards’.
7. **Boosting local and regional economies.** We want to encourage economic growth by giving substantial weight to the benefits of supporting business growth, and to particular areas and sectors - including those named in the Industrial Strategy, AI Growth Zones, logistics, town centres and agricultural and rural development. We are also interested in views on whether the town centre sequential test should be removed, in order to allow greater flexibility to respond to changing patterns of demand.
8. **Supporting critical and growth minerals.** We want to ensure that adequate provision is made for their extraction, recognising their economic importance. In parallel, and in view of the government’s mission to achieve clean power by 2030, we want to restrict further the extraction of coal.
9. **Embedding a vision-led approach to transport.** We want to further embed the changes made in December 2024, which signalled the importance of moving away from a ‘predict and provide’ approach to transport planning that can create unattractive environments dominated by cars.
1. **Better addressing climate change.** We want to set out how decisions can take a proactive

approach to both mitigation and adaptation in relation to climate change, in a way that links to other relevant policies in the draft Framework.

1. **Conserving and enhancing the natural environment.** We want to make a number of changes, including to reflect Local Nature Recovery Strategies, to recognise landscape character and conserve and enhance existing natural features, to incorporate swift bricks and to provide guidance on sites of local importance for nature.
2. **Taking a more positive approach to the use of heritage assets.** We want a clearer and more positive approach which can better support suitable heritage-related development, replacing the current policies that are difficult to navigate.

The Framework will also support the implementation of reforms I set out in the Written Ministerial Statement of 27 November [here](#) to deliver faster and clearer local plans – preserving their place as the cornerstone of the planning system. New plan making policies in the NPPF will support the implementation of the new plan-making system by setting out policy on the role, content, preparation and examination of the plans of different types – including supporting the introduction of Spatial Development Strategies across the whole of England to ensure effective planning across local authority boundaries.

The proposed new NPPF will play an integral role in delivering the new homes and essential infrastructure that the country needs and unlocking sustained economic growth. The consultation is an opportunity for everyone to play their part in shaping a planning system that delivers for local communities and the country as a whole.

Development plans will not be required to follow the revised Framework until the final version is published, in accordance with the transitional arrangements set out within it. However, local planning authorities preparing plans under the new plan-making system should have regard to the draft Framework to help inform the early stages of their production, bearing in mind the Framework's status as a consultation draft.

Support for small and medium-sized housebuilders

In addition to publishing a fuller and more definitive NPPF for consultation, the government is acting to support small and medium-sized housebuilders. As a government we are clear that ramping up housing delivery requires us to diversify the housebuilding market. Integral to such diversification is not merely arresting but reversing the decline of SME developers that has taken place over recent decades. Building on the steps we have taken to better support SME housebuilders access finance and land; we are today announcing a series of policy and regulatory easements to help them thrive and grow.

In May, the government published a working paper seeking views on a new 'medium' threshold for development for sites up to 1 hectare with between 10 and 49 homes – noting that over 80% of such sites are developed by SME builders. Having reflected on the useful feedback we received, we have decided to go further. While the 10–49-unit threshold will apply, we propose to increase to size of sites covered by the new medium category to up to 2.5 hectares – thereby increasing the number of SME housebuilders being supported.

To support development activity on this new category of site we are proposing limiting information requirements to what is necessary and proportionate. We are also setting a clear expectation that local planning authorities allocate 10% of their housing requirement to sites between 1 and 2.5 hectares, in addition to the existing requirement to do so for sites under 1 hectare, to better support different scales of development.

Without compromising building and residents' safety, we are also using the consultation to ask

the necessary technical questions to determine whether to exempt this new 'medium' category of development from the Building Safety Levy. And we are exploring further, the potential benefits and drawbacks of enabling developers of 'medium' sites to discharge social and affordable housing requirements through cash contributions in lieu of direct delivery.

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

Wider funding and support

To ensure the successful implementation of the changes to national planning policy and regulation that we are announcing today, the government will provide additional funding and support.

We are making £8 million available to local planning authorities to accelerate planning applications for major residential schemes at the post-outline stage. This funding will be targeted at those authorities with high volumes of deliverable applications in this Parliament and those with strong economic growth potential, ensuring resources are directed where they will have the greatest impact.

£3 million of this funding will be allocated to the Greater London Authority (GLA) to provide specific support to London boroughs to bolster their planning departments and enable them to implement the emergency measures announced by the Mayor of London and the Secretary of State on 23 October 2025.

These measures build on the announcements set out in the Budget last month, where the government has committed to spend an extra £48 million to strengthen planning capacity and support the aim to recruit around 1,400 new planning officers this Parliament – substantially exceeding our original commitment to recruit just 300.

We will also provide an extra £5 million to boost the rollout of the Small Sites Aggregator initiative across Bristol, Sheffield and the London Borough of Lewisham, supporting SME builders to deliver much-needed social housing on 60 small brownfield sites that would otherwise remain undeveloped and attracting private investment to build new social rent homes.

Beyond the planning system, this week we will launch an expression of interest for ambitious local planning authorities to work with us to create pattern books of standardised, high-quality house designs – intended to accelerate the delivery of attractive new homes and make use of artificial intelligence and modern methods of construction.