The Chartered Institute of Building (CIOB)

submission to

Ministry of Housing, Communities & Local Government

on the consultation

Planning Reform Working Paper: Speeding Up Build Our consultation

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Introduction

The Chartered Institute of Building (CIOB) is the world's largest and most influential professional body for construction management and leadership. We have a Royal Charter to promote the science and practice of building and construction for the benefit of society, and we have been doing that since 1834. Our members work worldwide in the development, conservation and improvement of the built environment. We accredit university degrees, educational courses and training. Our professional and vocational qualifications are a mark of the highest levels of competence and professionalism, providing assurance to clients and other professionals procuring built assets.

Background

In our response to the Ministry of Housing, Communities and Local Government (MHCLG) proposed reforms to the National Planning Policy Framework (NPPF) 2024 consultation we stated that:

> *"CIOB's position is that we are strongly in favour of initiatives and efforts to build more of the homes that are desperately needed in the UK. Alongside this, as a representative of the construction industry we have been pleased to see the primacy that has been given to much needed reforms of the planning system since this government was elected. The construction sector and wider built environment has a significant role to play in economic growth and is an industry that has shown itself to be at the forefront of technological change and progression. Consistent efforts in recent years to tweak the planning system rather than opting for wholesale change have resulted in stop-start policy making that has only served to further obscure the rules behind new housing and infrastructure rather than making them clearer."*

Throughout our response to the most recent NPPF consultation and other policy proposals, we have always advocated for a strong 'quality over quantity' approach to housebuilding policy. However, we have consistently welcomed efforts to stimulate housing delivery and showcase the ability of the construction workforce to deliver.

We are also pleased to see a strong emphasis from the Government to build a collaborative partnership with housebuilders, with many proposals suggested by those operating in the industry being considered when making changes to the planning rules.

However, this consultation and the associated changes it suggests seem to be a step in the other direction, instilling blame on the housebuilding sector for under-delivery and introducing punishments with consequences that could be far reaching and disproportionate to the issues at hand.

Ultimately, we are concerned with the approach taken in this consultation and would suggest Government rethink its approach to foster a positive environment for major housing delivery rather than default to mechanisms to penalise those who are not delivering fast enough, particularly in an industry that is so subject to external pressures.

Throughout the response to this consultation, we have made recommendations to implement a more equitable approach to the 'bad actors' in the industry who are holding up development for financial gain rather than implementing blanket, catch-all approaches that could seriously hamper the industry's ability to deliver the 1.5 million new homes the Government has committed to.

Full response

1. Question One: Do you agree with the evidence base and theory we have set out on build out rates?

We understand the frustration that exists surrounding the slow build out rate of housing sites. As noted by the Competition and Market's Authority (CMA) in their most recent Housing Market Study "The supply of new homes across Great Britain is highly cyclical and has persistently fallen well short of successive government targets and other assessments of need."[1]

Therefore, it is logical that alternative means of housing delivery are pursued or routes to speed up housing delivery are sought, including through means identified in this consultation, such as the New Homes Accelerator. CIOB acknowledges that actions taken by the Government, so far, will help speed up the delivery of new homes, particularly changes to the NPPF and plans to increase the number of new homes built by SME housebuilders.

However, we are concerned that the evidence base and theory set out in this consultation lays the blame almost entirely at the feet of the housebuilders for slow rates of housing delivery. We will provide evidence throughout this consultation response of the various unseen and often unpredictable variances in the construction process that can lead to the delay of new homes being built.

Whilst it certainly will be the case, as acknowledged by the CMA, that homes in England are not built as fast as they can be but instead are built out at a rate in which housebuilders can expect to sell them at an acceptable market rate, this process, may only be applicable to those larger housebuilders who can afford to do this and not a symptom of the industry as a whole. For those housebuilders who are sharing non-public information on sales prices, incentives and rates of sale, influencing commercial decisions on build out rates, punishments should be put in place. However, asserting that this is a practice embodied by the whole industry risks painting a picture that all housebuilders are underdelivering for the sake of profits rather than as a result of a number of different factors, some of which may be out of their control.

The theory behind the changes laid out in this consultation should be based on implementing punishments for those regular offenders, rather than all offenders.

It is also worth noting that the theory behind this consultation focuses solely on the delivery of more housing numbers, further supply side policies, without acknowledging some of the demand side initiatives that will be necessary to facilitate a market in which buying is more appealing. As noted by economist Brian Green "Having resources to deliver homes is one thing, but having buyers for the products is ultimately more important – be they households, investors, overseas buyers, housing associations or the public sector."[2] Whilst the recent work from Brian Green highlights that demand side policies are beginning to emerge from government, more work needs to be done to ensure that, once the homes are built, there are people there to buy them so that they don't lie empty and further damage the reputation of the UK's housebuilders.

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[1] Competition and Markets Authority, Housebuilding market study final report, 26 February 2024

[2] Royal Institution of British Architects Journal, As Labour hunts for 1.5m homes, architects should heed its shifting focus, 18 June 2025

2. Question Two: How could we go further to support models of housebuilding which build faster, such as small sites, strategically master-planned and mixed tenure?

CIOB has been supportive of the efforts of the Government to provide more routes into the house building market through alternative models of housing supply, such as the recent announcements on increasing SME housebuilding made in May 2025.

As noted in the recently published Planning Reform Working Paper: Reforming Site Thresholds, the Federation of Master Builders (FMB) now estimates that SME housebuilders only deliver around 9% of new homes in comparison to around 20% in 2010/11.[3] There is a crucial need to protect this proportion of the market to ensure that housebuilding does not become further dominated by a small number of larger volume housebuilders.

Support for SME housebuilders will have a number of positive outcomes; firstly, SMEs are often locally grounded, using local supply chains and operating within a stricter geographical area. Secondly, SMEs often operate on a site-by-site basis, without having the financial resources to invest in multiple sites at a time, helping to ensure that delays without justification are kept to a minimum. Lastly, SMEs are often able to adapt to local needs and use innovate building solutions.

For more information on the benefits of utilising SME housebuilding we recommend a recent FMB report co-authored with the London School of Economics (LSE) on supporting SME Housebuilders and the associated challenges and opportunities.

CIOB will be responding in full to the recent consultation launched by MHCLG on site size thresholds which contains questions about supporting SME housebuilders. In our response we include details of other policy initiatives that could be implemented to better support SMEs in the industry. Some of these include:

- **Reforming the land value system to make it more appealing for SMEs to invest**. The high cost of land means housebuilders are required to dedicate a disproportionate amount of their budget to fund the initial land purchase in a highly competitive market. To fund this purchase, developers must drive down costs elsewhere in the process, typically on design and quality, thus negatively impacting the final product. It also hampers SMEs ability to participate in the market as they are not able to raise the necessary finances to compete with larger volume housebuilders. If land were available at a more reasonable rate – for example, existing use value plus a 25% premium – developers would be incentivised to compete on the design and quality of the final product, rather than their ability to fund the initial land purchase. It would also be more appealing to SME housebuilders.
- **Utilising Homes England in their role as a master planner**. Homes England should be used to help provide SMEs with an opportunity to access land at a lower market value as well as work alongside experts to deliver key areas of large strategic sites. Unlike many strategic land developers, Homes England does not deliver the homes itself. Instead, it acts as a master developer, achieving the outline planning permission and then parcelling out areas of the sites to several developers for them to apply for reserved matters and full planning permission. At present many of the parcels on Homes England strategic sites have been allocated to large housebuilders such as Bloor Homes and Taylor Wimpey. There is a unique opportunity for Homes England to allocate parcels within their strategic developments to local SME housebuilders. Not only will this present them with an opportunity to participate in an increasingly constrained housing market but also provide

[3] Ministry of Housing, Communities & Local Government, Planning Reform Working Paper: Reforming Site Thresholds, 28 May 2025

them with the opportunity to work alongside larger developers with greater resources pools to learn from best practice.
- **Implementing checks and consultations with SME housebuilders.** Whilst there is wide acknowledgement that the changes that have been made to the planning process will positively impact on housing delivery, it is paramount that Government undertakes regular consultation with housebuilders of all sizes, especially those SME housebuilders that can be more vulnerable to changes in the system, to ensure that the system is operating in an easier and faster manner as intended.

Whilst support for SME housebuilders will go a long way to diversifying housing supply it must be acknowledged the size of the housebuilder is not the single determining factor for delays in the build out process.

As stated in our answer to Question One and Question Six, while there may be some housebuilders slowing down the delivery of new homes to manipulate market prices, it is far more common that delays in the construction process are a result of the following:

- **Price fluctuations requiring re-forecasting:** The Building Cost Information Service (BICS) recently forecast that building costs will increase by 17% over the next five years.[4]
- **Delays in acquiring skills and materials:** The most recent Construction Industry Training Board (CITB) Construction Skills Network predicted that the industry would need 47,860 workers per year until 2029 alongside replacing the 8% of workers due to leave the industry as part of the yearly natural churn.[5]
- **Sign off processes from statutory consultees**; and
- **Meeting planning conditions** as well as other external factors.

There must also be a clear distinction between those housebuilders who are being investigated for manipulating market prices in accordance with any findings of the current CMA investigation into suspected anti-competitive conduct by housebuilders, and staggered development for the sake of maintaining a consistent supply of developable land. For example, housebuilders holding onto land to ensure that they have a consistent stream of work while sites without permission navigate the uncertain planning system.[6] [7]

Investing in alternative routes for housing delivery alone will not stop delays in the build out process from happening. Creating a culture of blame in which housebuilders are seen as the blockers to new housing will not help overturn the overtly negative attitude that has developed towards new build housing in recent years, as evidenced in our 2023 report, New-build housing – how regulation can improve the consumer journey. This report showed that there is already a negative perception towards new build housing with 45% of respondents to a survey indicating that they had low to no level of trust in housing developers to deliver new-build homes to a high standard.[8]

If an overwhelmingly negative perception of new build housing is further fuelled by claims that all housebuilders are delaying completions purely based on profit making, the relationship between them and their potential consumers will further deteriorate.

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[4] Building Cost Information Service (BICS), BICS building forecast, 19 March 2025
[5] Construction Industry Training Board (CITB), Construction Workforce Outlook: Labour Market Intelligence Report 2025-2029, 2025
[6] Competition and Markets Authority, Investigation into suspected anti-competitive conduct by housebuilders, 26 February 2024
[7] Building Design Online, The land banking myth housebuilders can't shake, 27 March 2025
[8] Chartered Institute of Building (CIOB), New-build housing – how regulation can improve the consumer journey, December 2023

3. Question Three: For mixed tenure, what would you consider to be an appropriate threshold level?

N/A

4. Question Four: Do you have any views on how the proposed CPO measures would work best in practice?

N/A

5. Question Five: How should MHCLG guide local authorities and developers towards reasonable build out schedules (noting that ultimately this will be negotiated locally)?

One of the key issues that has occurred through the previous planning system is the often-adversarial relationship between local authorities and housing developers. Partly this can be attributed to the uncertainty that has accompanied planning decision making, often leaving housebuilders in a state of limbo, unable to predict the determination decision they will receive. It can also be put down to the often time-poor conditions of officers working within local authorities who are not able to dedicate the necessary resource to housing developers to foster positive working relationships.

It is paramount that this relationship is addressed prior to the implementation of build out schedules and associated Delayed Homes Penalty.

CIOB acknowledges the work the Government has undertaken in reforming the planning system will help to bring stability and certainty to the decision-making process, and that additional resources have been committed to local authority planning departments, but more needs to be done.

If the relationship between local authority officers and housing developers is not fixed, we risk the interactions on build out schedules becoming a game based on scepticism and false promises. It may also be the case that negotiation processes to agree build out schedules will become protracted and drawn out, further delaying the actual delivery of new homes in England.

Work must be done to ensure that housebuilding becomes more collaborative and open between those key actors in the decision-making process. We recommend that Government seeks to understand the main barriers that exist between local authorities and housing developers with a view to understand what more can be done to ensure this is a partnership that works for Government objectives.

To also ensure that this new system operates effectively, clear rules must be set by Government on how build out schedules are formed and agreed. They must leave no room for interpretation and detail what should happen should negotiations continue for an overly exhaustive amount of time.

It should also be made clear what role a build out schedules has in the determination of a planning application. Without addressing this point, we risk build out schedules becoming overly impactful on a planning determination, essentially meaning that applications for much needed new homes are refused if a local authority is not happy with the amount of time the homes might take to build out. These should not be tools to encourage speed but instead should be used to hold housebuilders to account. If they become the former, then the risk is that housebuilders will agree to timeframes that they know they cannot meet for the sake of receiving a positive planning decision.

6. Question Six: What are the right set of exemptions for external factors that impact build out rates? Should this include economic downturns which reduce sales rates, or does that mean that payments would be too weak to induce the shift toward the partnerships business models we want to see?

As alluded to throughout this consultation, the cause of delays to build out rates can be as a result of a number of different factors. When deciding which factors may justify an exemption from a proposed Delayed Homes Penalty, we recommend casting the net as wide as possible. This feeling was echoed by CIOB members during a roundtable we hosted to gather feedback on these proposals.

We understand that it has been suggested that the criterion for relevant external factors is proposed to be based on the existing Homes England 'build lease' model. It should be noted that the consultation documentation gives no further indication of what external factors are already included in Homes England's 'build lease' model, which is not readily available for public viewing, so it is hard to comment on whether this criterion is sufficient.

Some areas to take into consideration to form part of a list of external factors could include:

1. **The impact of the economy on construction** – Construction is a boom-and-bust sector where periods of uncertainty in demand can impact on businesses across the industry. Despite strong pipelines of work being discussed by Government in their commitment to 1.5 million new homes, changes in direction away from policies, like retrofitting the UK's housing stock to meet net zero, will have knock on effects to businesses operating in those areas. Due to the post-pandemic inflationary period, many construction firms' already slim profit margins have been eroded, and debt has been accrued to deal with significant costs rises for labour, materials and land. This has led to a weakened financial position for the industry, and construction continues to be the sector with the largest number of insolvencies. According to the Insolvency Service, in March 2025, construction firms accounted for 18.1% of all insolvencies in England and Wales, thus resulting in fewer businesses with the capacity to take on new projects.[9] This creates its own challenges for housebuilding as it can be the case that contractors are on board at the start of a project but cease to exist by the time that their role is required.

2. **The availability of labour** – The nature and scale of the construction skills gap has been widely publicised in recent years. Even ambitious workloads suggest the wider construction sector workforce needs to expand by anywhere from 500,000 to one million over the next few years. That is if the sector is to meet both the underlying market demand and the Government's aspirations for house building, moving towards net zero, and upgrading infrastructure. Taking this as a single factor would be enough to account for potential delays in the build out process of new housing schemes as the availability of labour becomes harder to source. However, it is more likely that when it comes to this particular external factor, there are others that combine with it to exacerbate the problem, namely the geographical variances inherent in the construction industry.

   In 2023, CIOB published its third edition of our Real Face of Construction research. This work looks at the underlying nature of the construction sector, its opportunities and challenges and what regional and national differences are inherent across the UK. In this piece of work, we identified that the geography of projects can affect the availability of skills. Where projects are located away from major population centres, areas with good

[9] The Insolvency Service, Company insolvencies, April 2025

transport links or training centres or colleges, attaining skills can become a challenge. This is especially the case where bespoke skills are needed to progress projects, such as those relating to heritage or listed buildings.[10]

3. **The availability of materials** – As noted in the recent release of the Department of Trade's (DBT) latest Construction building materials: commentary February 2025, "construction prices have increased sharply, at a faster pace than consumer price inflation, from 2020 to 2022."[11] This publication also notes that while prices have flattened since 2022, they still remain significantly above consumer price inflation indices. This is the reality that many projects are having to face, significant upfront costs to secure building materials, as well as fluctuating prices which can impact on project forecasting. In a recent article in Installer Online, Peter Grierson, Managing Director of material supplier Pipe Centre highlighted some of the specific challenges faced by SMEs in acquiring construction materials. Peter noted that, in recent years, the materials market has become more volatile for SMEs, and while some larger firms are able to absorb the uncertainty caused by events such as Brexit, ongoing global conflicts and global economic downturns, SMEs are far more exposed and at risk should materials become delayed, or prices fluctuate.[12]

   Continuing from the information gathered as part of the Real Face of Construction 2023, feedback from our members highlighted that geography can also be a significant barrier to materials availability. In particular, those operating in areas of where projects are located in places with poor transport links, it can often be difficult to source regular deliveries of materials or find suppliers who are able to deliver to such areas.[13]

   Finally, it must also be considered where projects are located near large scale infrastructure projects that can absorb significant amounts of locally based labour and materials, as was the case with HS2 and Hinkley Point C.

4. **The impact of weather on construction work** – It is commonly acknowledged that construction work is often dependent on good weather conditions and that severe or extreme weather can cause a raft of delays. Some of these include high winds impacting the structure or integrity of what is built on site so far, rain, winds or extreme temperatures effecting the condition and integrity of materials, flooding associated with heavy rain or hard surfaces associated with frost affecting site operations, supply chain disruptions as well as general site and labour safety considerations associated with extreme temperatures.[14] In a 2024 study conducted by energy solution specialist Aggreko, around 20% of responding construction managers in Europe named extreme weather conditions such as extreme heat, freezing temperatures, excessive rainfall or flooding and sleet as the biggest risks to their sites.[15]

5. **The resources available for SME housebuilders** – While work has been done to ensure that SME housebuilders have a greater role to play in housing delivery, the reality is that they are still in a more precarious position than most larger volume housebuilders. It will likely be the case that smaller housebuilders are operating on a site-by-site basis without the available funding to start construction work on one site until a previous project finishes but having to progress through planning to ensure a consistent stream of work. It would be worth considering additional criteria to be considered as exemptions based on the size of the housebuilder, including the need for smaller housebuilders to have to

[10] Chartered Institute of Building (CIOB), The Real Face of Construction 2023, 25 April 2023
[11] Department for Business & Trade, Construction building materials: commentary February 2025, 5 March 2025
[12] Installer Online, The impact of supply chain disruptions on SMEs, 26 March 2025
[13] Chartered Institute of Building (CIOB), The Real Face of Construction 2023, 25 April 2023
[14] Cornerstone Projects, Winter weather and the impact on UK construction projects, 13 December 2024
[15] Aggreko, Building in Resilience: Weather-proofing European Construction in a Changing Climate, December 2024

wait to start construction on multiple projects. Alternatively, we understand that the consultation documentation refers to the Delayed Homes Penalty being applied over a size threshold. It may be more suitable to only apply a future penalty to those sites categorised as "large", therefore excluding the "small" and "medium" sites.

Whilst not explicitly referenced above, some additional points for consideration that our members raised included taking into account the speed in which sign off processes from external consultees are received as well as sites located next to or adjacent to unique characteristics or sites such as railway lines or rivers.

The consequences of receiving a Delayed Homes Penalty, as proposed, are severe and could include local planning authorities having the right to no longer determine applications by developers who have received the penalty in the past. Therefore, it should be necessary that the criteria for application of a penalty are high and considers as many external factors as possible.

7. Question Seven: For the Delayed Homes Penalty, do you agree with the intention to use it to incentivise the shift towards higher build out models of housebuilding?

While we understand the frustration that can occur with sites that are being left undeveloped for long periods of time, CIOB's position is that the unintended consequences of a Delayed Homes Penalty are significant enough to reconsider the basis for such a scheme.

As acknowledged in the associated consultation documentation, and in our answer to Question Six, delayed or stuck sites can occur for a vast number of reasons including "due to the discharge of a planning condition, an issue raised by a statutory consultee, a newly discovered site issue, or the developer running into financial difficulties."[16]

The reality is that the nature of construction work is fragile, it can be heavily dependent on weather conditions, the ability for site staff to source labour and the general state of the economy dictating the price of aspects such as materials. Delays can also arise because of significant changes in the regulatory regime in the construction sector, something which has been particularly prevalent since the advent of the Building Safety Act 2022, the proposed Future Homes Standard and recent changes to the planning system.[17]

While the New Homes Accelerator may help to ease some of the blockages that exist in the delivery of new homes, it will not get to the root cause of the issue, sites will still be delayed as many of the contributing factors are ones that cannot be addressed without a fundamental reform many aspects of the economy, an undertaking that would take many years to come to fruition.

With that in mind, the applicability of such a penalty scheme and the potential barriers it will then cause to future housing schemes must be very carefully considered. A system must also be put in place to carefully monitor the way in which penalties are applied to ensure they are done so correctly and without prejudice.

In reference to the size thresholds for application of penalties, it would seem counterfactual to implement these penalties on those within the housing delivery market who are already struggling to access the necessary finance to participate. Therefore, it would not make sense to apply financial penalties to smaller housebuilders delivering on minor or medium sites (medium

[16] Ministry of Housing, Communities & Local Government (MHCLG), Planning Reform Working Paper: Speeding Up Build Out, 25 May 2025
[17] Provelio, Managing Delays in Construction Projects

taken to refer to 10 to 49 homes as proposed in the Planning Reform Working Paper: Reforming Site Thresholds).

Whilst it would make the most sense to apply the penalties to those housing developers operating on large schemes, it must be noted that housing developers building out these types of sites are already subject to a number of financial levies, committing them to significant sums of money. In recent years, housebuilders delivering these sites have warned that the increase in sums associated with levy payments could do more to harm housing delivery than enable it.[18] It should also be noted that those delivering larger sites will often have to contend with more complex planning applications, planning conditions and delivery schedules, so will likely be subject to more regular and complex delays.

With that in mind, it may be more sensible to apply the penalty on the basis of consistent failing rather than on a site-by-site basis as this will more fairly target those who are regularly falling behind on delivery.

Another point to consider is the way in which these delays are applied. There must be a concrete set of criteria which counts towards a reasonable delay which covers as much ground as possible and is not open to interpretation. This will help ensure that any potential delays are applied fairly and consistently by local planning authorities. There must also be protections put in place to ensure that they are applied as a 'last resort' as intended and that all options are explored for helping a site progress through the New Homes Accelerator.

Ultimately, CIOB is concerned with the proposals for a Delayed Homes Penalty. Our primary reasoning is that delays will be associated with those housebuilders who fall materially behind the delivery schedules set out in the build out schedules. As mentioned in the answer to Question Six, there is a risk that the implementation of build out schedules are used as a tool to gain planning permission, rather than an accurate and realistic timetable for delivery. If housebuilders are incentivised to estimate a faster build out rate to effectively 'score points' in favour of their planning application then it is likely that many applications will fall well below estimated delivery dates, creating a loop in which housebuilders are having to go in with a fast offer, knowing these are deadlines that cannot be met.

At a time in which the industry is reflecting on actions to change the culture, it is important that we move away from dangerous working practices that have contributed to the well known 'race-to-the-bottom' in construction. CIOB is concerned that the need to submit delivery schedules ahead of gaining planning permission will create a bidding culture which will only be dangerous for the industry.

We are also concerned about the potential for the Delayed Homes Penalty to be applied by individual local authorities rather than by the Secretary of State for Housing, Communities and Local Government, or equivalent relevant ministers within the department. The relationship between local authorities and housing developers can sometimes become strained. Especially where past experience has created adversarial interactions around future housing schemes in instances of previous speculative developments or lost appeals with associated costs. We are concerned that the establishment of a punishment system will create further fractures in an already delicate system; one that is desperately needed if Government is to fulfil its housing commitments.

With that in mind, we firstly recommend that decision on applying a future Delayed Homes Penalty is decided on by the relevant Secretary of State or their ministers rather than applied

[18] Building Magazine, More than 100 housebuilders sign letter calling for Reeves to rethink £3.4bn building safety levy, 17 March 2025

directly by local authorities with applications for a penalty being submitted by a relevant local planning authority.

Secondly, we recommend the Government seeks advice on potential incentives for faster housing delivery rather than default to disincentives for slow delivery. Cultivating a positive relationship with the housebuilding sector is crucial and any 'last resort' policies that may damage this relationship must only be put in place once all avenues are explored.

Lastly, we recommend that, if local planning authorities are to be the decision-making body in applying a Delayed Homes Penalty, a resourced monitoring system is put in place by Government to ensure that penalties are being applied correctly. Effectively, government should act as a 'second stamp' to confirm the application of a penalty.

8. Question Eight: How should the Penalty be calculated? What are the strengths and weaknesses of using a percentage of house price, or reference to local council tax rates? What information would local authorities require?

CIOB is not best placed to advise on the calculation of the potential Delayed Homes Penalty, this is something that should be agreed between government and housing developers.

9. Question Nine: Are there wider options you think worth worthy of consideration that could help speed up build out of housing?

We are concerned with the proposed new powers to be introduced by section 113 of the Levelling Up and Regeneration Act 2023 for local planning authorities to "decline to determine planning applications made by persons who applied for, or who are connected to, an earlier planning permission for the development of land in the LPA's [Local Planning Authorities] area which has not been built out at a reasonable rate".

Our concerns here are two-fold. Firstly, as mentioned consistently throughout this response, the reason for delays in build out rates can be varied. Creating an environment where those who fall behind on delivery are effectively banned from having an application determined, seems counterproductive to the Government's aim to provide record numbers of new homes. If a housebuilder with a consistent record of delivery falls behind on one site out of 10 and received a penalty as a result of it, local authorities will be able to decline to determine those applications, potentially eliminating large number of new homes, and as a biproduct of that, new social and affordable homes, from ever being built. This will also have its own associated economic impact. If a housebuilder is no longer able to have schemes determined by local authorities, they will inevitably go bust, leading to job losses and impacts on the economy as a whole.

It is also concerning that the wording of this proposal relates to those "who are connected to" a planning application which has not been built out. This could refer to a significant number of actors involved in the formation of a planning application such as the planning consultants or architects who ultimately have no say on whether a scheme is built out on time and in schedule. We recommend that this wording is altered to only refer to those who are acting as the developer or primary applicant.

We would also like MHCLG to consider the potential mental health impact that some of these changes could have on those working in the construction industry.

As continuously highlighted by CIOB, the construction industry is a high-risk industry for poor mental health and wellbeing. This was evidenced in a recent report where we found that 94% of construction industry respondents to a CIOB survey had experienced stress in the past year, 83% had experienced anxiety and 27% had experienced suicidal thoughts.[19] CIOB will be responding to the Government consultation on the first men's health strategy with more detail but given the already fraught nature of mental health and wellbeing in the industry it must be taken into account when making changes that could cause significant financial damage on construction companies.

10. Question Ten: Do you anticipate any environmental impacts from these proposals that the government must consider and the Environmental Principles Policy Statement?

N/A

11. Question Eleven: Do you anticipate these proposals giving rise to any impacts on people who share a relevant protected characteristic, as defined by the Equality Act 2010, that the government must consider under the Public Sector Equality Duty?

N/A

[19] CIOB, Understanding Mental Health in the Built Environment 2025, 12 May 2025