

# MHCLG technical consultation on implementing measures to improve build out transparency

Southern Housing is one of the largest housing providers in the UK with around 80,000 homes across London, the South East, the Isle of Wight and the Midlands, giving over 167,000 people somewhere affordable to call their own.

This <u>technical consultation</u> from the Ministry of Housing, Communities & Local Government (MHCLG) seeks to gather views on the introduction of a new statutory build out framework which requires information to be submitted at different stages of the planning and development cycle and the power to decline to determine applications. The Government says that subject to the outcome of the consultation, the intention is to bring forward the regulations to implement these measures at the earliest practical opportunity, with the new build out reporting framework coming into force from 2026.

We share the Government's ambition for safe, affordable homes to be in reach of more people and are keen to play our part in delivering the homes they want to build. While financial conditions mean we can't enter into new development commitments until our financial capacity has improved, we'll build our committed development pipeline of 3,700 homes. We look forward to beginning to build homes again when it's financially viable. Accordingly, we're pleased to respond to this consultation on build out rates.

In our response, we make the following key points:

- 1. We're supportive of the Government's intention to increase build out rates using reporting, and as such don't agree that there should be a 50-dwelling floor before measures begin
- 2. We don't support the creation of an additional, separate reporting document as this would duplicate efforts and information
- 3. LPAs should be required to assess evidence of the impact of regulatory changes and contractor failure before using the power to determine, as these have significantly impacted programme timelines.

## Response to questions (submitted online)

### What developments will be subject to the new build out measures

#### What residential development will be in scope

Q.1. Do you agree that the build out reporting measures should apply to developments which involve the building of new dwellings (including mixed use development)?

Yes /no/don't know.

We support the application of build out measures to all developments involving new dwellings, including mixed-use schemes. However, we recommend that build out statements are secured by a planning condition rather than at submission. This approach gives developers the flexibility to account for changes during the determination process, such as revisions to the layout or the final Section 106 package.

Collecting this data is useful for monitoring delivery, particularly in relation to 5-year housing land supply. It provides a clearer view of actual versus anticipated delivery and may assist in identifying stalled sites. It would also help to monitor unit types and delivery trends, supporting a more responsive approach to meeting local housing need.

# Q.2. Are there any other types of residential development that the build out measures should apply to? If yes, please give your reasons.

Yes/no/don't know.

We recommend including all residential accommodation that results in a net increase in dwellings. Capturing all forms of residential development ensures that the data reflects the full picture of what is being delivered. This includes accommodation types that may not count towards traditional housing targets but still affect housing supply and demand, such as supported housing or student accommodation. Inclusion will also help to identify whether general needs homes are being used to meet other needs.

### What threshold of development will the build out measures apply to

# Q.3. Do you agree with the proposed threshold of 50 dwellings for the build out measures to apply to? Please give your reasons.

Yes/no/don't know.

A threshold of 50 units risks excluding a significant portion of small and medium-sized developments, which cumulatively make a substantial contribution to supply, particularly in rural areas and small towns. We currently have around a third of our current schemes on site are developing under 50 homes, meaning they make a large portion of our programme. For example, we have just completed the redevelopment of an asset site in the London Borough of Hammersmith & Fulham, which delivered 36 homes at Palliser Road.

Southern Housing response to MHCLG build out transparency consultation. 7 July 2025.

In our experience, smaller sites can often be more complex and expensive than larger sites, due to their complex site and boundary considerations. Therefore, we suggest a tiered approach with simplified reporting for developments below 50 units. For example, developers could confirm key milestones such as Building Control sign-off or Practical Completion. This would ensure smaller sites are not excluded from delivery monitoring while avoiding unnecessary administrative burden.

### Q.4. Do you think a higher threshold should be set for development progress reports and the power to decline to determine applications? If so what should this threshold be? Please give your reasons.

Yes/no/don't know.

It is important to have visibility across all sites. Developers for schemes of 50 units or more are likely to be sufficiently resourced to provide this information. They may already be recording it as a matter of course at the present time.

## **Build out statements**

# Information required for build out statements & when a build out statement will be submitted

Q.5. Do you agree that this information should be covered in the build out statements? If not, please explain why you disagree and set out any other information you think it should cover.

Yes/No/Don't Know

Much of the information proposed is already captured at the planning application stage in London and other major cities. Creating a separate standalone document risks duplication and adds to an already complex and resource-intensive application process.

Instead, the most effective approach would be to expand the existing application form questions nationally, using the London model as a base. Councils could then extract the necessary information directly, without requiring a separate submission. This would streamline the process while ensuring consistency.

### Q6. Do you have any further comments on the build out statement?

We support the principle of applying build out measures to all developments involving the creation of new dwellings, including mixed-use schemes. However, government should avoid creating parallel processes when the data could instead be captured through small, nationally consistent amendments to existing application forms.

We'd also stress the importance of aligning any new reporting requirements with existing digital systems. This would help avoid fragmented local approaches. As we set out further in our response to question 18, delays are sometimes driven by wider viability challenges, such as construction cost inflation (compounded by new regulation), which should be recognised in national guidance and in the creation of any new measures.

## **Commencement notices**

#### Information required for commencement notices

Q7. Do you agree that this information should be covered in commencement notices? If not, please explain why you disagree and set out any other information you think it should cover.

#### Yes/No/Don't Know

The proposed information is typically available already and would help local authorities monitor site activity and trigger enforcement action where necessary. Standardising the format and expectations across LPAs would improve consistency.

### **Development progress reports**

# What provisions are proposed for development progress reports as part of the regulations

Q.8. Do you agree with setting a 2 month period after the reporting period ends to submit the development progress reports? If not, please explain why you disagree.

Yes/No/Don't Know.

A two-month window seems a reasonable period to collect, verify, and submit accurate data, including on complex or phased sites.

# Q.9. Which option for the reporting period for development progress reports do you agree with?

The lead option outlined at paragraph 44: an annual reporting period based on the financial year. This will bring the reporting in line with other similar reports and may save time collecting data that can be used for multiple requirements.

# Q.10. We recognise the information in development progress reports may be useful for LPAs to calculate 5 year land supply (5YLS), are there any impacts with the reporting periods proposed and the interaction with 5YLS?

We agree the data collected will significantly strengthen the evidence base for 5YHLS calculations. Having a clear, mandatory reporting timetable will provide local planning authorities with more up-to-date, accurate delivery trajectories.

However, guidance may be needed to ensure LPAs interpret and apply this data consistently when assessing deliverability.

# Q.11. Do you agree with the proposals for how the completion date is specified for the purposes of development progress reports? If not, please explain why you disagree.

Yes/No/Don't Know.

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We agree with this approach. Using either Building Control sign-off or first occupation as the completion marker is consistent with existing monitoring practices and provides a reliable measure of delivery.

# Q.12. Do you agree with the proposals about who submits the development progress report? If not, please explain why you disagree.

Yes/No/Don't Know.

Designating a single point of contact ensures accountability and avoids confusion. Guidance should clarify how responsibilities transfer in the event of land sales, corporate restructures, or developer insolvency.

### Information required as part of the development progress reports

## Q.13. Do you agree with the information it is proposed development progress reports will cover? If not, please explain why you disagree.

Yes/No/Don't Know.

The proposed reporting information is proportionate and reflects data already held by most developers and RPs.

## Q.14. Is there any other information you think development progress reports should cover?

No views submitted.

## Sites with multiple developers building out

# Q.15. Do you have any views on how a joint approach to submitting a commencement notice could be facilitated on sites where multiple developers are involved?

Responsibility should be agreed between parties at the outset. On larger phased schemes, it may be more appropriate for individual developers to submit information for their own phases, given differences in timing and delivery models. A lead developer or master developer model may work where coordination is built into land agreements.

# Q.16. Do you agree with making provisions in the regulations that would enable a joint submission of the development progress report where multiple developers are involved?

Yes/No/Don't Know.

Yes, flexibility should be built into the regulations to allow either joint or individual submissions, depending on site circumstances.

# Q.17. Do you agree that this information should be covered in development progress reports where a joint approach is taken? If not, please explain why you disagree and set out any other information you think it should cover

Yes/No/Don't Know.

The reporting requirements should be consistent across both joint and single-developer sites. Where multiple parties are involved, mechanisms should be in place to ensure accountability for each phase.

## Power to decline to determine applications

### How the power to decline to determine applications will apply

Q.18. Do you have any views on what information other than in build out statements and development progress reports LPAs should have regard to when considering whether the carrying out of the earlier development has been unreasonably slow? Please give your reasons.

We recommend caution before applying the power to decline to determine. Delays often arise from factors outside the applicant's control, including:

- Supply chain disruptions
- Contractor insolvency
- Utility connection delays
- Planning condition discharge timelines
- Changes to building safety regulations

In our experience, regulatory changes and contractor failure have significantly impacted programme timelines, despite our best efforts to proceed. At Phase two of our Free Wharf development in Shoreham-by-Sea, we experienced delays to start on site due to the second staircase regulatory change. Ilderton Road in Southwark is another project that was adversely affected by building safety reg changes. Block A was sat unoccupied for months due to outstanding building safety registration. We have also encountered this issue on other schemes, where the compilation of building safety documentation has impacted occupation of these homes.

Accordingly, if this power is implemented, LPAs should be required to assess evidence of such external constraints before concluding that progress has been unreasonably slow. More widely, we'd hope that government looks into resolving theses issues at the root.

#### Q19. Do you have any comments on the scope of the guidance?

Clear national guidance will be essential for consistent implementation. It could:

- Define key terms (e.g. "unreasonably slow")
- Provide examples of acceptable delivery rates and legitimate delay factors
- Clarify roles and responsibilities on multi-phase sites

This would support both LPAs and developers in meeting their obligations efficiently.

## Public Sector Equality Duty, Environmental Principles and Impact Assessment

Q.20. Do you have any views on the implications of the proposals in this consultation for you, the environment or the group or business you represent, and on anyone with a relevant protected characteristic? If so, please explain who, which groups, including

### those with protected characteristics, or which businesses may be impacted and how, or any anticipated environmental impacts. Is there anything that could be done to mitigate any impact identified?

We'd caution that complex regeneration and supported housing schemes, which often serve residents with protected characteristics, may have longer lead times. It would be helpful for MHCLG to ensure that these are not unintentionally caught by blanket measures.