

Roundtable - Delivering 1.5 million homes

With Baroness Taylor of Stevenage OBE

Portcullis House & Online via zoom



Introduction

This roundtable brought together industry leaders and policymakers to discuss the government's ambition to deliver 1.5 million homes, with keynote speaker Baroness Taylor of Stevenage OBE, Minister for Housing & Local Government.

The discussion provided a valuable update from the Minister on the government's latest efforts to accelerate housing delivery, address affordability, and tackle barriers in planning and construction. Attendees from across the housing sector contributed insights on key challenges, including planning reform, skills shortages, and viability, while also highlighting opportunities for collaboration and innovation.

This document summarises the key takeaways from the discussion, outlining the Minister's commitments, industry concerns, and the next steps needed to ensure the successful delivery of new homes at scale.

Updates

- The Minister reaffirmed the government's ambition, emphasising that increasing housing supply is essential not only for individuals and families but also for economic growth, social equality, and community stability. She acknowledged the scale of the challenge but made clear that there will be no backing down from this target.
- The government has boosted the Affordable Homes Programme (AHP) with an additional £300 million, secured in January, to support the delivery of 2,800 new homes, with more than half designated for social rent. The Minister noted that while fiscal pressures remain, there is a strong push to secure further funding in the upcoming Spending Review to continue supporting affordable housing at scale.
- Recognising that many housing sites are stuck due to financial and planning constraints, the government has launched the New Homes Accelerator in partnership with Homes England. This programme has already helped unlock 20,000 homes by tackling planning blockages and financial hurdles. The Minister acknowledged the funding limitations but stressed that the initiative is focused on removing the most significant barriers to delivery.
- The Minister confirmed that the Planning & Infrastructure Bill, expected to be laid before Parliament soon, will introduce reforms aimed at speeding up planning approvals and improving the alignment of housing with necessary infrastructure investment. The government is aware of frustrations around delays and is committed to streamlining processes to create more certainty for developers and local authorities.
- Addressing concerns over skills shortages, the government is working closely with the Department for Education to support Level 7 apprenticeships, increase investment in skills training, and expand workforce capacity. The Minister recognised that an ageing workforce and limited new entrants into construction are major obstacles to delivery and stressed the need for both short-term interventions and long-term workforce development.
- The Minister underscored the importance of sustainability in new housing, highlighting how modern methods of construction (MMC) can improve efficiency, reduce environmental impact, and enhance insulation and air-tightness standards. She pointed to international examples where off-site manufacturing has enabled faster and higher-quality delivery, making it a key priority for the UK moving forward.

Key takeaways

- Attendees highlighted rising construction costs, financing pressures, and regulatory burdens, which are making housing delivery increasingly difficult. Many stressed that viability constraints, particularly for SMEs and housing associations, need urgent attention if development is to accelerate.
- Developers raised concerns that the current Section 106 system is delaying sites and making projects unviable. There was discussion around the potential for a more standardised cascade mechanism, ensuring that affordable housing commitments remain deliverable while allowing sites to progress more efficiently.
- Many in the industry reported lengthy and uncertain planning timelines, with some applications taking years rather than months to progress. Concerns were raised about local authority capacity and accountability, with calls for measures to speed up the system and improve consistency in decision-making.
- SME developers emphasised that they are particularly affected by planning delays, financing difficulties, and bureaucratic hurdles, with some reconsidering their role in the sector due to the increasing risks. There were calls for targeted support to keep SMEs in the market, given their role in local development and community regeneration.
- Industry representatives stressed that workforce shortages are limiting housing delivery at all levels. There was strong support for increased investment in training and apprenticeships, particularly at higher levels to address gaps in planning and technical expertise.
- Many attendees noted that housing delivery is being held back by inadequate infrastructure planning, with transport, utilities, and community services often not keeping pace with development. There was agreement that better coordination between housing and infrastructure investment is essential for sustainable growth.
- The impact of nutrient neutrality rules on housing supply was a major concern, with some sites stalled for years due to unresolved environmental regulations. While the government has introduced a Nature Restoration Fund, industry figures stressed that further action is needed to provide certainty and workable solutions for affected developments.

Issues and concerns

- Housing associations and developers highlighted that Registered Providers (RPs) are struggling to deliver new homes as rising costs force them to divert funding into building safety upgrades and repairs. There were calls for increased grant funding per unit to make affordable housing projects viable.
- There were concerns about the Building Safety Regulator and the Building Safety Levy, with some anguing that large developers who have already invested in remediation are now facing additional costs, while SMEs who were not responsible for past safety issues are also being hit disproportionately.
- While attendees welcomed the Minister's commitment to housing delivery, concerns remained over whether future funding allocations would be sufficient—particularly given competing spending pressures, including defence and public services. Developers emphasised the need for long-term certainty to encourage investment and delivery.

We would like to thank the members of our Advisory Board for their contributions and continuing support.



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