# London’s housing crisis deepens as Khan considers relaxing affordable housing quotas to appease developers



London Mayor Sadiq Khan’s discussions with the government to relax planning regulations and potentially reduce affordable housing quotas highlight a frustrating pattern of shortsighted policies that prioritize appeasing developers over genuinely solving London's housing crisis. Under the guise of “accelerating housebuilding,” Khan is contemplating lowering the current requirement that 35% of new developments be affordable—potentially bringing it down to just 20%. This move signals an abandonment of the city’s responsibilities to its most vulnerable, replacing long-term social stability with superficial growth that caters to the interests of big developers and bureaucratic interests.

The development industry’s vocal support for these cuts — citing “viability” concerns — reveals a deeply problematic alliance that continues to put profits ahead of people. Industry figures, like the Home Builders Federation, claim that existing targets are “not viable,” glossing over the fact that such targets have historically driven both affordable and social housing development, even in challenging economic times. Their push for “flexibility” is nothing more than a license to water down commitments that could make a real difference to Londoners struggling with sky-high rents and insecure housing.

Meanwhile, official data paints a bleak picture. With only around 11,600 homes built last year in the capital—despite the government’s own target of 88,000 annually—London remains woefully short of meeting its housing needs. Fewer than 1,000 homes began construction in the last quarter, and affordable housing starts are at historic lows. These figures underscore the failure of Khan’s strategy and the overarching government approach, which clearly prioritizes short-term developer gains over addressing the housing emergency.

The government’s recent decision to cut the Mayor’s affordable housing targets by nearly a quarter—down from over 23,900 to just under 20,000 homes—further demonstrates their disregard for genuine progress. Instead of pursuing a comprehensive plan to expand housing stock, they’re resorting to minimalist targets that will hardly dent the scale of the crisis. This shortsightedness ignores the fact that increasing supply on London’s green belt, a controversial proposal Khan hints at, might exacerbate environmental harm and set a dangerous precedent for disregarding sustainable planning principles.

Khan’s leadership, instead of being a catalyst for meaningful change, appears compromised by an obsession with “progress” that is increasingly detached from the realities faced by ordinary Londoners. His “turbocharged” efforts—such as the Land Fund, which has enabled thousands of new homes—are commendable but insufficient in the face of systemic underfunding and the chronic shortage of council housing. His repeated promises to double council homebuilding by 2030 seem increasingly out of reach, especially given the political pressure to follow developer-friendly policies.

Amidst these developments, it is clear that London’s housing crisis will persist or worsen, with the government and the Mayor’s office betraying their duty to secure affordable options for the many. Instead of tackling greed-driven policies that favor profit over people, a true alternative is needed—one that prioritizes responsible planning, sustainable growth, and genuinely affordable homes. As this city continues to face mounting housing insecurity, it’s evident that current leadership remains beholden to the interests of big business rather than the needs of ordinary Londoners.

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.constructionnews.co.uk/government/london-mayor-in-talks-to-cut-affordable-housing-target-03-10-2025/> - Please view link - unable to able to access data
2. <https://www.standard.co.uk/news/london/housing-crisis-affordable-homes-sadiq-khan-mayor-2024-25-angela-rayner-b1227661.html> - In May 2025, the UK government reduced London Mayor Sadiq Khan's affordable housing targets after the number of affordable homes started in 2024/25 was the second lowest on record. Construction began on 3,991 affordable homes, prompting an agreement to lower the target from 23,900 to 27,100 to a new range of 17,800 to 19,000 by March 2026. The Mayor aims to start at least 18,400 homes to meet the midpoint of the revised target. The reduction allows more flexibility to fund stalled projects and encourage developers to initiate more schemes.
3. <https://www.bbc.com/news/articles/c8e6w89537lo> - In May 2025, London's Mayor Sadiq Khan and the UK government agreed to reduce the Affordable Homes Programme target by over 6,000 homes. The new target range is between 17,800 and 19,000, a 22% decrease from the previous range of 23,900 to 27,100. Deputy Mayor for Housing, Tom Copley, stated that Khan is 'taking the hard decisions to improve housing supply of all tenures.' The Greater London Authority highlighted that London is among the most expensive cities to build in, contributing to the decision.
4. <https://www.london.gov.uk/mayor-london-set-deliver-8000-homes-five-years-ahead-2030-target> - In August 2025, Mayor Sadiq Khan announced that over 8,000 new homes have been started through his Land Fund, five years ahead of the 2030 target. The Land Fund, established in 2017, aims to tackle London's housing crisis by providing financing for projects, including land purchases for developers and partners. Nearly 6,700 of these homes are affordable for social rent, the highest level since Khan took office in 2016. Despite this progress, London still needs 88,000 new homes annually over the next decade to meet demand.
5. <https://www.london.gov.uk/media-centre/mayors-press-release/towards-new-london-plan> - In May 2025, Mayor Sadiq Khan announced plans to actively explore releasing parts of London's green belt for development to address the housing crisis. He argued that the current approach of building only on previously developed land is insufficient to meet the scale of the challenge. Developing some green belt areas, particularly those near transport links, could unlock hundreds of thousands of new affordable homes. The Mayor emphasized the importance of strategic development to boost the economy and provide more housing for Londoners.
6. <https://www.bbc.co.uk/news/articles/cy5k6d1zy7yo> - In February 2025, London's Mayor Sadiq Khan faced criticism over the slow progress of his affordable homes programme. Between October and December 2024, construction started on only 902 new affordable homes under the programme. The Mayor's office attributed the sluggish progress to challenges inherited from the previous government. Despite the criticism, Khan's office stated that he remains 'determined to turbocharge the delivery of housing' and is seeking additional support to accelerate the programme.
7. <https://www.bbc.co.uk/news/uk-england-london-68595731> - In August 2024, during his mayoral campaign launch, Sadiq Khan pledged to double council home building if re-elected. He highlighted that, in his previous terms, more than 116,000 affordable homes were started, but only 65,000 were completed. Khan committed to completing the building of 40,000 council homes by the end of the decade, aiming to address the housing crisis and provide more affordable options for Londoners.