

# Poundbury not Peterborough



## A Response to the Government's New Towns Proposals

Ike Ijeh

Foreword by HRH The Duke of Gloucester





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# Foreword

*By HRH The Duke of Gloucester*

There is little doubt that one of the drawbacks to the British economy is the lack of suitable housing in most of the country.

Houses can, of course, be provided one at a time, but the more ambitious approach is to build many together to provide new communities.

Policy Exchange has written this analysis of which schemes in the past have proved successful and which have not. There are, of course, many different ways of measuring success. Firstly, whether the project has proved an economic success, providing good returns on investment for government or other contributors.

Secondly, whether the residents are satisfied, they may have complained of the blandness and repetition of the design with little variation or flair and consequent lack of appeal. Thirdly, whether the community has flourished and the project demonstrated its popularity.

This analysis warns of the pitfalls and the paths to success, and hopes that the right choices are made in the years ahead given the demonstration of what has worked in the past and may grow well in the future.

## Executive Summary

This paper is a response to the Government's recently announced new towns proposals and includes recommendations aimed at improving the programme to maximise its chances of popularity and success. This paper frames its responses by reference to design and development principles it believes are best placed to deliver liveable, sustainable places and also by historic reference to the precedents set by Britain's last generation of new towns.

Britain's last programme of post-war new towns was a paradoxically and perhaps typically British mix of triumph and failure. The enterprise was unequivocally ambitious in both its scope and implementation and it amounted to the largest town-building effort ever undertaken in the UK and the most ambitious post-war government-supported town building programme in the Western world. So much so that in June 1973, the United Nations convened a special Inter-regional Seminar on New Towns in London which was eagerly attended by civic leaders across the world keen to learn from the British experience.

Equally, the post-war new towns were largely successful in their core demographic aim of accommodating population overspill from bombed out British cities unable to rapidly rehouse residents who had lost their homes during the war. They brought hope and sanctuary to a generation battered by violent conflict and with them the promise of a new more peaceful and egalitarian social order that would provide prosperity and security for families and communities alike.

And surprisingly to some, the new towns were even a financial success. By the early 1980s, every one of the loans issued to the development corporations charged with building new towns had been paid back to the Treasury in full and in many instances several decades early, subsequently netting the public purse ongoing revenues in excess of £2bn from the sale of new towns assets.

And yet, in many ways, the post-war new towns were also testaments to state failure. Housing was often poorly and cheaply designed, infrastructure was frequently inadequate or substandard, densities were often too low to provide the momentum and activity cities need to survive, town centres often comprised windswept pedestrian plazas labouring under the misapprehension that the exclusion of cars automatically invited the inclusion of character, Brutalist architecture often abounded and perhaps most damaging of all, new towns were generally perceived by the wider public as anodyne, featureless and characterless suburban hinterlands, too soft for the city but too hard for the county, thereby occupying a rudderless



urban and social no-man's land between inoffensive and uninspiring.

At present, the Government's current plans for a new generation of new towns, embodied in the New Towns Taskforce long-awaited New Towns report in the autumn, promises to become trapped in the same cycle of failure and success. There is a great deal to recommend in the Government's new town proposals and in areas like placemaking, density, infrastructure, location and delivery, the Taskforce makes solid recommendations reassuringly based on widely accepted best practice that hold the promise of a new network of settlements that learns from the mistakes of the past.

But in other areas, such as housing supply, design, funding and timescales, missed opportunities are already evident and even worse, many carry the risk of causing fundamental harm to the wider programme. Crucially, as the title of this paper suggests, as yet, there is little in either the Taskforce or Government's proposals to stop the next generation of new towns looking more like Peterborough than Poundbury. The Government is aware of the enormous reputational currency the latter example bestows, so much so that its pre-publication press briefings made explicit allusions to Poundbury priorities that are wholly absent from its recommendations. In order to avoid recreating the characterless, anonymous communes that were sometimes the built legacy of the last new towns programme, these gaps will have to be urgently filled.

Filling these gaps is precisely what this paper aims to do. By focussing in detail on ten core new towns themes and assessing how well the Government's current recommendations perform in each one, it is hoped that this report will help from an advisory blueprint about the strengths and weaknesses of the Government's current plans.

Each of these ten areas are itemised below and subsequent chapters score each area on how well, under current plans, it performs. By doing so it is hoped that a clearer and more incisive picture is formed of the Government's proposals with the intention of focussing attention on areas where further policy interventions might be needed. These interventions come in the form of the recommendations included in the following section of the report.

1	Housing Location	Encouraging
2	Housing Supply	Concerning
3	Housing Quality & Design	Concerning
4	Housing Density	Encouraging
5	Social & Affordable Housing	Neutral
6	Placemaking	Neutral
7	Infrastructure	Encouraging
8	Delivery	Neutral
9	Funding	Concerning
10	Political Timescale	Concerning

Green	<b>Encouraging</b>
Yellow	<b>Neutral</b>
Red	<b>Concerning</b>

As the tables above show, there is a wide range of performance variation across the ten core areas, a mix which at present, promises an imminent contemporary repetition of the paradoxical triumph and failure spectrum the last generation of new towns inhabited. It is hoped that this paper offers strategies and policies by which this repetition can be avoided so that future generations will seek to emulate England's next generation of new towns in entirety and not just in part.

# Recommendations

## **1. Change the name of the programme from New Towns to the New Cities programme**

While the post-war new towns programme enacted transformational urban, demographic and socioeconomic change in Britain, the new towns label still attracts a reputational stigma largely associated with aesthetic mediocrity and suburban anonymity. However, Garden Cities have proved one of England's most popular design exports and their name offers a more direct invocation of both national identity and the environmentally conscious urbanism contemporary methodologies prioritise. Renaming the current programme New Cities would promote fresh branding as well as titular invocation of both traditions.

## **2. A Legally-Binding Vision Statement for every new town**

A new Vision Statement document should be produced at the early stages of every new town venture clearly articulating its aesthetic and placemaking principles as well as setting minimum standards and specifications in areas like placemaking, green space and building materials. The document will ensure that the public, stakeholders, authorities and residents will have a clear indication of what the new town will look like and the visual narrative that will underpin its streets, spaces and character. All new consultants, investors, designers, landowners and stakeholders who become part of the new town delivery mechanism, whether this be a development corporation or other means, will be legally required to sign up to the statement upon appointment.

## **3. Appoint a City Architect for every new new town to define, steer and enforce a clear design vision**

It is essential that new towns establish a clear vision and then ensure it is honoured and protected throughout the extended lifetime of their development. This will make design objectives clearer and increase the chances of new towns attaining distinct characters and a strong sense of place. Having a clearly defined role of a City Architect could be essential in achieving this. There is historic precedence for this. Sir Frederick Gibberd, designer of Liverpool's Catholic Cathedral, was the masterplan architect for one of the earliest new towns, Harlow. It will primarily be the role of the City Architect to compile the aforesaid Vision Statement and ensure it is adhered to.

#### **4. Appoint a dedicated New Towns 10-Year Commissioner to oversee the programme**

The last new towns programme received political protection from the 1946 New Towns Act, which ringfenced the policy regardless of which party was in power. This latest programme enjoys no such statutory protection so in order to ensure continuous, long-term oversight of this new new towns programme and insulate it from inevitable shifts in ministerial priorities and incumbency, we recommend the appointment of a New Towns Commissioner on a ten-year basis to oversee the programme, ensure strategic consistency and promote and protect new towns interests to Government and all relevant parties.

#### **5. A new integrated transport authority for Milton Keynes and larger, standalone new town settlements**

It is indefensible that it has taken 58 years to agree a mass transit system for Milton Keynes, Britain's biggest new town. The presence of a new, single integrated transport authority here with finance raising powers, modelled on Transport for London, could have proved instrumental in identifying and meeting local transport need at a far earlier stage. In the partial manner of Manchester's new Bee Network, this could be a model for wider regional transport reform in English cities and the larger, standalone new town settlements with 40,000 planned households and above.

#### **6. Development Corporations to take a longer stake in new towns**

The Government's preferred development corporation model for building new towns is based on the development corporation transferring its assets to either the private sector or local authority once primary enabling and construction works have been completed. We recommend instead that development corporations retain their new towns stake over a much longer period, thereby assuming a much more strategic, long-term stewardship role that can safeguard future development and ensure self-interested compliance with investment in the original vision. This would shift the new towns development model to something much closer to that of London's Great Estates, widely considered to be the gold standard in geographically precise multi-generational civic custodianship.

# 1. Introduction: A History of New Towns

The Government's New Towns proposals could see the creation of the first designated new towns in England for 55 years. However, while England's new towns were developed from the 1940s to the 1960s, new towns are essentially a 20<sup>th</sup> century urban solution that sprang from two earlier 19<sup>th</sup> century suburban concepts: the model village and the garden city. All three went on to have enormous influence over urban planning and organisation in Britain and America for most of the 20<sup>th</sup> century, even though the onset of Modernism eventually diluted the political allure of the first two incarnations. If any 21<sup>st</sup> century revival of new towns is going to be a success, it must first understand the principles and ideologies that shaped the movements it sprang from.

## 1.1 Model Villages

The historical roots of new towns are not to be found in private housing but in social housing. In a further paradox, these early social housing settlements were not provided by the state but by corporate interests for factory workers. The onset of the Industrial Revolution in the late 18<sup>th</sup> century caused massive social upheaval across Britain and one of the largest demographic displacements involved a surge of people moving from the countryside to the cities to find work in the new industries the revolution had established. While this led to an inevitable decline in urban living standards amongst the overcrowded working poor in cities like London and Manchester, what is often taken for granted is that countryside living conditions also suffered with rural communities often unable to maintain the frenetic pace of industrial expansion.

By the 19<sup>th</sup> century, industrialists who had built factories in cheaper rural locations quickly realised that they needed a capable, local workforce to staff and run them and that the lack of appropriate accommodation could potentially threaten their commercial viability. Thus, the model village was born, a new form of self-contained residential accommodation that specifically provided workers' housing located close to industrial hubs. Though this housing routinely offered basic standards of space and sanitation, they were not by any means entirely altruistic undertakings as low rents often provided convenient corporate cover for low wages. Nonetheless the historic significance was unmistakable, for the first time new rural settlements with their own dedicated infrastructure had been provided to ease residential overcrowding and drive economic growth,

the twin underlying template that still defines the new town movement to this day.

There was another unmistakable aspect to these new model villages: their appearance. While modest in architectural ambition, these new model villages were entirely subsumed into the traditional vernacular of local rural character and 19<sup>th</sup> century picturesque aesthetics and replete with elements like brickwork, chimneys, gables, pediments, arches, corbels, porches, bays and verandas. What they lacked in budget they often more than made up for in beauty. By the end of the 19<sup>th</sup> century, arguably England's three most famous model villages, Saltaire, Port Sunlight and Bournville, had been conceived on a much more ambitious scale and the superlative model of a picturesque, romanticised and civilised semi-rural townscape they present have become bywords for hyper-idyllic urban tranquillity to this day.

## 1.2 Garden Cities

By the late 19<sup>th</sup> century, it had become painfully clear that model villages alone could not sustain the rapacious pace of urbanisation Victorian England was continuing to undergo. A new grander urban solution was therefore devised, the Garden City. Its origins lie in renowned London planner Ebenezer Howard's 1898 book, *To-morrow: A Peaceful Path to Real Reform*, reprinted shortly thereafter as *Garden Cities of Tomorrow*. The book envisaged a new series of planned, utopian urban settlements that would combine the best elements of town and country to create a new type of community-led mass-residential model fit for the 20<sup>th</sup> century. Wide, radial avenues lined with traditional vernacular housing would be interspersed with public parks, trees and verdant natural landscaping throughout, with each garden city linked to a constellation of satellites by an efficient network of road and rail connections and served by dedicated retail and leisure amenities.

The radical concept only led to the construction of two garden cities, Letchworth and Welwyn Garden City, being built from scratch directly from Howard's model, possibly due to the fact their success made prices less affordable than Howard, who though not a socialist had progressive leanings, had envisaged<sup>1</sup>. Nonetheless the concept proved immensely popular and its impact reverberated into town and suburban planning and design well into the 20<sup>th</sup> century. Hundreds of towns and cities across Britain and the world borrowed elements of the garden city idea and a vigorous new attempt to tame and sanitise the overcrowding, dehumanisation, poverty and ill-health that 19<sup>th</sup> century industrial expansion had bestowed became the garden city's defining international legacy.

Skilfully, like the birth of Modernism at the end of the 19<sup>th</sup> century, the garden city captured a cultural zeitgeist that had grown weary of the crippling social debilitations of the Victorian urban condition and yearned instead to recapture a softer, greener, healthier, more humane and more romanticised form of residential existence. But unlike Modernism's later iterations, garden cities kept all the elements – such as traditional design, natural materials and a strong local vernacular – that Modernism

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1. <https://www.tcpa.org.uk/garden-cities-separating-truth-from-myth/>



was to eventually discard in favour of utilitarian efficiency and structural expressionism.

Despite the strong English character of garden cities, they proved to be a hugely popular international export, particularly in America. Here, Howard's treatise had coincided with the contemporaneous City Beautiful movement of the 1890s, a similarly reformist urban philosophy that followed many of Howard's principles but repackaged them in a more formal Beaux-Arts tradition of classical planning and civic monumentalism. Garden city influence was also to be felt as far afield as India, South Africa, New Zealand and the Philippines.

### 1.3 New Towns: First Phase (1946-1950)

While Modernism spread vigorously throughout Europe in the first four decades of the 20<sup>th</sup> century, this did not happen in England. With a handful of notable and usually Art Deco exceptions, including cinemas, factories, department stores and the ever-expanding London Underground, architecture and especially housing in England largely clung to its traditional, vernacular styles and Modernism, with its implicit European origins, was generally viewed with suspicion.

This all came to a dramatic halt with the Second World War. By the end of the war, Britain found itself with approximately 30% of its housing stock either destroyed or severely damaged by wartime bombing, far higher than the 20% lost in countries like France, Belgium and the Netherlands<sup>2</sup>. Italy had had only 6% of its housing destroyed<sup>3</sup>.

Replenishing Britain's depleted housing stock quickly and cheaply and became an urgent national imperative and while garden cities were viewed as exceptional, their high design, landscaping and public realm standards were not necessarily seen as expedient. The volumetric efficiency and modular composition of Modernist housing was seen as infinitely preferable and this was the de-facto style now adopted by the British state to rebuild its war-ravaged cities. The garden city era, at least as initially envisaged, was over.

But it endured sporadically in its first successors, new towns. The 1946 New Towns Act designated the construction of a number of new suburban satellite conurbations around existing cities to ease the intense overcrowding wrought by the widespread urban bomb damage inflicted during the war. Its political origins lay in the 1940 Barlow Report, which had recommended demographic and industrial decentralisation of big cities like London and Birmingham and the creation of a series of new towns beyond the Green Belt that would provide more spacious living accommodation than that offered in overcrowded inner cities.

Many of these eventual new towns, such as Crawley, Hemel Hempstead, Basildon, Harlow and the first ever new town, Stevenage, were created to handle overspill from London. But several others, such as Corby near Northampton and Peterlee and Newton Aycliffe near Durham, were designed to fulfil the same function in smaller region cities.

While this new generation of new towns largely rejected the traditional

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2. <https://www.britannica.com/event/World-War-II/Human-and-material-cost>

3. Scattoni, Paolo & Falco, Enzo, *Why Italian planning is worth studying*. Italian Journal of Planning Practice, Volume 1(Issue 1):4-32, 2011

architectural principles of the garden city and opted instead for the leaner, more streamlined Modernist aesthetic that was to dominate the mid-20<sup>th</sup> century, they were however broadly based on the same core principles of strong community engagement, dedicated infrastructure (especially integrated local transport), generous recreational amenity, integrated retail facilities and housing quality. Harlow in particular adopted a dynamic landscaping design concept that was highly sensitive to its natural landscape and its masterplan was designed by celebrated Modernist Sir Frederick Gibberd who was to go on to design Liverpool Roman Catholic Cathedral. However, the focus on housing quality and certainly traditionalism was to become successively diluted as later phases of new town construction emerged.

### 1.4 New Towns: Middle Phase (1961-1964)

By the early 1960s, Britain under Harold Macmillan was in the midst of an unprecedented housing construction boom that eventually prompted the arrival of a new generation of new towns largely following the same thematic template as their post-war predecessors. This time the geographical focus was in the West Midlands, north-west and north-east to alleviate housing pressure in Birmingham, Liverpool and Newcastle respectively. Accordingly, amongst others, new towns were built in Shropshire (Telford), Cheshire (Runcorn) and Washington (Tyne & Wear).

Two characteristics marked this third phase of new towns from its predecessors: the introduction of Brutalist aesthetics and growing accommodation for the motorcar. Telford (initially called Dawley New Town) provides a telling case in point. Masterplanned by acclaimed Birmingham Brutalist architect, John Madin, designer of Birmingham's notorious (and now demolished) Central Library, it displays some of the features that were to become controversial hallmarks of 1960s and '70s urban design, a pedestrianised shopping precinct, enforced separation of cars and pedestrians, a low-density town centre and the replacement of natural materials like brick and stone with more manufactured substitutes like metal cladding and reinforced concrete. All these features and the more that were to follow in the final phase, show how far by the mid-1960s, the new towns model had strayed from the founding precepts of garden cities.

### 1.5 New Towns: Final Phase (1964-1970)

In 1964 an influential report caused a major shift in new towns policy. The South-East Study recommended a new tranche of new towns further away from London and significantly, it envisaged much bigger populations than had been achieved previously. In order to maintain proximity to workplaces and amenities, Ebenezer Howard had set a notional population cap on garden cities of around 25,000 to 32,000. By 1937 Welwyn Garden City had 15,000 residents<sup>4</sup>, even Harlow, (though not a garden city but a modernist reinterpretation of one) had only reached a population of

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4. [https://www.visionofbritain.org.uk/unit/10054941/cube/TOT\\_POP](https://www.visionofbritain.org.uk/unit/10054941/cube/TOT_POP)

17,000 by 1954<sup>5</sup>, although it grew rapidly thereafter. But the South-East Study recommended population increases of up to 250,000<sup>6</sup>, vastly exceeding what the new towns programme had achieved before.

Notwithstanding, the new Wilson government committed itself to implementing the report's recommendations and the final phase of English new towns was born. Much of this phase involved significant expansion (and redevelopment of) existing cities and this was the prescription prodigiously applied to Peterborough, Warrington and Northampton, encircling their historic cores in rings of vapid, roundabout-dominated suburbia and in the case of Peterborough, often comprehensively redeveloping their town centres as low-density pedestrianised retail zones (as per Telford) with only Peterborough's majestic cathedral spared. Further standalone new towns were planned in Essex, Berkshire, Kent, Hampshire and Buckinghamshire but of these only the last of these was realised and it has arguably become the most famous new town in Britain, Milton Keynes.

Milton Keynes, which was founded in 1967, aptly demonstrates how far the new town ideology had strayed from its garden city origins. It also marked a significant departure from not only traditional English town planning principles but the masterplan approach that had previously been adopted with preceding generations of new towns. With its target population of 250,000 (today it is almost 300,000<sup>7</sup>) Milton Keynes far surpassed Howard's recommendations for localised proximity and in response, its urban plan doesn't accommodate one town centre but several. This is further emphasised by a grid road layout that further subdivides the town into rectilinear neighbourhoods, comprehensively dispensing with Howard's radiating avenues. Each neighbourhood is envisaged as a self-contained urban unit, with all its attendant community facilities and leisure and retail amenities provided therein. This zoning structure marks another departure from traditional English urban planning.

But some garden city principles endure, most notably the reliance on natural landscaping. Surrounded by woods and forests, Milton Keynes itself was conceived as a "city in a forest" and to reflect this, 30% of the city's area is green space and it is home to some 22 million trees<sup>8</sup>, many of them located in the linear parks that straddle the city. Despite its famed profusion of roundabouts, Milton Keynes has done much to promote a modal shift away from car use and towards cycling.

As the last great enterprise of the new towns programme, Milton Keynes has been central to forming public and political opinion about the merit, or otherwise of new towns in general. Its largely uncompromising Modernist architecture and its presumed proliferation of concrete have helped cement a popular association in the public mind between new towns and Brutalist utilitarianism that has proved hard to shift. Only Cumbernauld in Scotland, with its infamous 1963 concrete shopping centre, can probably lay equal claim to equal Brutalist notoriety and both have been the butt of endless satire about dull dystopian dysfunctionality. These doubtless helped dim Conservative and Labour interest in new

5. <https://www.mun.ca/harlow/about-harlow/historical-geography-of-harlow/harlow-and-the-new-town/population-growth-and-the-expansion-of-harlow/>
6. <https://www.montagu-evans.co.uk/wp-content/uploads/2024/12/New-Towns-What-Can-We-Learn-From-History-1.pdf>
7. <https://www.ons.gov.uk/visualisations/census/populationchange/E06000042/>
8. <https://www.theplanner.co.uk/2022/10/12/milton-keynes-marmite-town-planning#:~:text=One%20of%20the%20things%20that,relying%20on%20the%20private%20car.>

towns from the 1980s onwards, until the meaningful revival that is being talked of today.

And yet, economically, Milton Keynes is undeniably a success story. It maintains productivity levels 27% above the national average, it is one of the UK's top five cities for business start-ups and it boasted pre-pandemic job creation rates double the national average<sup>9</sup>. It has even bucked the trend of new town housing placing a disproportionate emphasis on social housing, (doubtless a contributing factor to Margaret Thatcher's pronounced new towns ambivalence) with 80% of Milton Keynes housing being owner-occupied<sup>10</sup>. The average for post-war new towns was 55%.<sup>11</sup>

Therefore, the challenge for Britain's next generation of new towns is to combine the economic resilience of Milton Keynes with the urban quality of the earlier iterations of new towns, and in particular their garden city predecessors, delivered.

## 1.6 New Towns: Post 1980s

As we have seen the Conservative appetite for new towns cooled considerably during the Margaret Thatcher's Government and there has been no serious state initiative to revive them until the current Government's plans. The Coalition Government's Ebbsfleet Garden City designation and the Investment Zones, briefly advocated by Prime Minister Liz Truss<sup>12</sup> during her short premiership, probably came closest to the new towns model. But, with the latter's focus on low-tax, low regulation and (under a Rishi Sunak re-launch) technology<sup>13</sup>, they were far more akin to an economic trigger rather than large-scale land redevelopment.

However, over the past 35 years, there has been one landmark, globally-renowned experimental English extension that has undoubtedly dominated the public and political consciousness and discourse when it comes to new town development. Moreover, though it was inspired by the state, it had nothing to do with the Government. The answer is of course Poundbury, the iconic Dorchester development led by the Prince of Wales, now King Charles III.

More akin to a model village than either a garden city or a post-war new town, Poundbury seeks to embody New Urbanism ideas which call for a revival and sympathetic reinterpretation of established, traditional classical principles of design, decoration and planning. Predictably pilloried by the architecture establishment even before construction began in 1993, time has largely vindicated the Poundbury approach. Not only is Poundbury a resounding economic success, (it has increased local land values by 55%<sup>14</sup> and local GVA [Gross Value Added] by £98 per year<sup>15</sup>) it was speculated that the Labour Government's entire new towns programme will be based on its principles.

If when built, this turns out to be the case, not only will this be a triumph for the traditional values that guided the new towns programme up until the mid-20<sup>th</sup> century, but it has the potential to make Charles III the most significant and successful urban and architectural interventionist since George IV at the start of the 19<sup>th</sup> century.

9. <https://www.milton-keynes.gov.uk/business/economic-development#:~:text=A%20highly%20productive%20economy%2C%20producing,star%20Dups%20per%2010%2C000%20population>

10. "Neighbourhood Statistics - Area: Milton Keynes (Local Authority)". National Statistics. Retrieved 8 June 2007

11. <https://cy.ons.gov.uk/peoplepopulationandcommunity/housing/articles/researchoutputsubnationaldwellingstockbytenureestimatesengland2012to2015/2019>

12. <https://www.telegraph.co.uk/news/2022/09/21/liz-truss-rip-green-planning-laws-bid-kickstart-housebuilding/>

13. <https://www.reuters.com/world/uk/ukshunt-sets-out-english-investment-zones-ahead-budget-2023-03-13/>

14. [https://content.knightfrank.com/research/1930/documents/en/building-better-building-beautiful-commission-cost-value-2020-7017.pdf?\\_gl=1\\*1gy5ouv\\*\\_gcl\\_au\\*MTU1OTY5NzI5MS4xNzU2NDg5MDE0\\*\\_ga\\*MTQ1OTU3MDU0Ny4xNzQ4MzU1Nzcx\\*\\_ga\\_K723LXJ440\\*cze3NTg5MzMyNDYkbzUkZzAkDE3NTg5MzMyNDYkajYw-JGwwJGgw](https://content.knightfrank.com/research/1930/documents/en/building-better-building-beautiful-commission-cost-value-2020-7017.pdf?_gl=1*1gy5ouv*_gcl_au*MTU1OTY5NzI5MS4xNzU2NDg5MDE0*_ga*MTQ1OTU3MDU0Ny4xNzQ4MzU1Nzcx*_ga_K723LXJ440*cze3NTg5MzMyNDYkbzUkZzAkDE3NTg5MzMyNDYkajYw-JGwwJGgw)

15. <https://poundbury.co.uk/about/economic-impact/>

While no new town has been officially designated since the Central Lancashire conurbation in 1970, since then England has obviously extended and expanded existing towns and built new, standalone settlements on a much smaller scale. One of these, Northstowe, a new 1,200 homes development in Cambridgeshire, came to public attention in 2023 for all the wrong reasons when it was accused by frustrated residents of lacking basic infrastructure and amenities such as shops, cafés GP's surgeries and communal public realm<sup>16</sup>. This is not an uncommon complaint levied at modern rural developments and it does much to shake already slender public confidence in the quality of newbuild British housing generally. Every conceivable care must be taken to ensure that this is not a legacy bestowed by the next generation of English new towns the Government is now planning.

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16. <https://www.dailymail.co.uk/news/article-12306249/Englands-biggest-new-town-no-shops-cafes-GP-surgeries-SIX-YEARS.html>

## 2. Reviewing the Government's New Towns Proposals

In July 2024, the incoming Labour Government established the New Towns Taskforce. Echoing the urban growth instincts swiftly demonstrated by the first Blair Government when it set up the Urban Taskforce shortly after winning the 1997 election, the New Towns Taskforce was charged with identifying locations and delivery mechanisms for the first new Government programme of English new towns for 55 years.

Chaired by Sir Michael Lyons - former BBC chair and chair of former Opposition leader Ed Millband's 2014 Housing Commission – the taskforce published its interim report in February 2025 and its final report at the end of September 2025. In turn, at the same time the Government simultaneously published its initial response to the taskforce report, announcing it would immediately commence a Strategic Environmental Assessment (SEA) to understand the wider environmental implications of new towns development and to crucially, expedite the onerous statutory formalities required before the planning and construction process at any of the selected locations can start. A fuller, final Government response will be published in 2026.

The following pages will review and directly respond to the Taskforce and Government's New Towns proposals. For these purposes, we have identified ten key topic areas that the taskforce report explores and the following pages formulate a response to each of them. The ten areas, divided into chapters, are itemised below:

- 2.1 Housing Location**
- 2.2 Housing Size & Supply**
- 2.3 Housing Quality & Design**
- 2.4 Housing Density**
- 2.5 Social & Affordable Housing**
- 2.6 Placemaking**
- 2.7 Infrastructure**
- 2.8 Delivery**
- 2.9 Funding**
- 2.10 Political Timescale**

A summary is provided at the end of each subsection which uses colour coding to grade the quality of the proposals for each topic area. This is illustrated below:



Green	<b>Encouraging</b>
Yellow	<b>Neutral</b>
Red	<b>Concerning</b>

The taskforce tabled 44 recommendations and recommended twelve new towns locations across England, all of which have been welcomed by the Government. The Government has also accepted the taskforce's wider recommendations on delivery. Therefore, for the purposes of the review contained on the following pages, the term "The Government proposes" is to be read as synonymous with the term "The Taskforce proposes".

## 2.1 Housing Location

“The majority of the sites submitted were urban extensions to existing towns or cities, with a smaller number of proposals for new standalone settlements”.

New Towns Taskforce Report, para. 115, p. 28

**The Government proposes 12 new new towns. They fall into three categories, brand new standalone settlements peripheral urban expansions and inner-city densification. The latter options are the preferred arrangements, a preference already established by the taskforce’s interim report in February 2025. The locations of the 12 new towns are itemised below:**

### **Standalone Settlements**

1. Adlington, Cheshire
2. Heyford Park, Oxfordshire
3. Marlcombe, Devon
4. Tempsford, Bedfordshire

### **Urban Expansions**

5. Brabazon, South Gloucestershire
6. Crews Hill & Chase Park, Enfield, London
7. Worcestershire Parkway, Worcestershire

### **Inner-City Densification**

8. Leeds South Bank, West Yorkshire
9. Manchester Victoria North, Greater Manchester
10. Milton Keynes, Buckinghamshire
11. Plymouth, Devon
12. Thamesmead Waterfront, London

#### **2.1.1. Location Review**

Perhaps the most surprising, and reassuring element of the locations selected for Britain’s new tranche of new towns is that in the strictest sense of the word, there are very few of them. Only a third of the selected locations are what one might term “standalone settlements”, namely, brand new urban conurbations away from existing centres and sited on

previously undeveloped rural or semi-rural land. The remainder are either urban extensions on the edge of existing cities or urban intensification in established inner city areas.

While this may disappoint those keen to see a return to the of the pioneering expansionism of the post-war new towns era, the urban expansion approach makes economic and demographic sense and is more closely aligned to contemporary ideologies regarding urban planning. Locating new towns on the edge of existing cities supports agglomeration and allows the new settlements to benefit from established transport networks, infrastructure, employment centres, supply chains and economies of scale, thereby ensuring that any new infrastructure investment benefits and is accessible to a wider population.

Additionally, this arrangement optimises the connectivity crucial to new towns' success and also follows the development model presented in Policy Exchange's *Tomorrow's Cities 2019* paper which advocated addressing London's housing shortage by establishing a new generation of millennial towns on the edge of London. This solution has also been recommended by others, including most recently multidisciplinary planning, engineering and design group Arup<sup>17</sup>.

Alternatively, establishing new towns as standalone settlements on greenfield land requires an exponential increase in financial investment due to the need to build away from existing population centre and supply chains and the necessity and expense of financing brand new transport infrastructure which must then be fed into neighbouring networks.

It also has a more disruptive and potentially locally contentious impact on the land in rural areas, encroaching on valuable countryside at the expense of brownfield land that is left untouched. While standalone new towns like Milton Keynes, Harlow and Telford were more fulsomely adopted during the last new towns phase, contemporary Britain cannot rely on the command economy or fiscal capacity of its post-war predecessor.

The largest contingent of new towns falls into the inner-city densification category. Topographically these lie furthest from the traditional new towns model and can essentially be categorised as urban regeneration projects. While urban regeneration is hardly a new idea, these are the projects best optimised to benefit from surrounding population, infrastructure and fabric and they therefore offer significant potential for sustainable economic and demographic growth.

They also exemplify the 'brownfield first' approach employed by both this and the last Government, densifying existing settlements and intensifying and incentivising efficient land use in the urban locations where it most capable of meeting housing demand and triggering new economic activity.

Cleverly, the Government's has also used these densification 'new towns' to address historic mistakes made in the last postwar new towns phase. Both Milton Keynes and Thamesmead are set to benefit from vital new transit connections criminally lacking from their original incarnations and thereby massively increase the economic justification for these ventures.

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17. Arup, *A Case for a New Town in London*, 2024

The question of economic justification represents a significant task for the new towns location strategy. Both the Government and the taskforce are to be commended for resisting the urge to deliver a geographically balanced distribution of locations across the country and instead adopting a rigorously strategic approach where, by and large, development is forensically focussed on areas where highest housing demand meets greatest economic potential.

Consequently, while the densification projects in Manchester, Leeds and especially Plymouth offer lower property values (and therefore lower prospects for higher long-term economic returns) than London and Milton Keynes, the standalone settlements in Tempsford and Heyford Park also offer significant economic potential as they straddle the infamous Oxford-Cambridge Arc and should help address some of the acute housing demand present in both cities.

Equally Worcester, an affluent West Midlands cathedral city with reasonable housing demand and <sup>18</sup>excellent transport links, is a good candidate for expansion. And the standalone proposal at Adlington in Cheshire, 20 miles north-west of Manchester, should help alleviate that city's acute housing shortage and benefit from what the taskforce report refers to as Cheshire's "nationally significant life sciences cluster."<sup>19</sup>

Only Marlcombe just outside Exeter in Devon seems the anomalous location outlier. In July 2025 house prices in Exeter saw a year-on-year fall of 3.8%, bucking rising trends across the south-west region<sup>20</sup>. Equally, nearly 6% of the city's housing stock has been deemed vacant<sup>21</sup>, significantly higher than the national vacancy rate of 1.06%<sup>22</sup>. However, the taskforce report cites the proximity of Exeter Airport and Exeter's position as the "fourth fastest-growing city in the UK" as part of Marlcombe's growth potential. All of which helps contribute to an overall new towns location plan that is reassuring in its strategic scope, demand responsiveness and economic justification.

## SUMMARY 2.1

### Housing Location

### Score: Encouraging

*The proposals are to be commended for avoiding even geographical distribution across the nation and for instead locating most of the prospective new towns in areas exhibiting the greatest convergence between housing need and favourable market conditions. Equally, the preference for extending or expanding existing conurbations rather than building brand new standalone settlements is welcome and provides welcome new opportunities for inner-city densification and urban regeneration while protecting the countryside.*

18. New Towns Taskforce, Report to Government, MHCLG, 2025, p 32.

19. New Towns Taskforce, Report to Government, MHCLG, 2025, p 50.

20. <https://www.ons.gov.uk/visualisations/housingpriceslocal/E07000041/>

21. Census 2021, Table 1a: Dwelling occupancy by dwelling type, national to local authority, England and Wales 2021, ONS

22. <https://www.propertyinvestmentsuk.co.uk/empty-home-statistics/#:~:text=England%20Empty%20Homes%20Statistics%20Summary,a%201.06%25%20vacancy%20rate%20nationwide.>

## 2.2 Housing Supply

*“A variety of smaller sites, as these attract a more diverse range of developers”.*

**New Towns Taskforce Report**, para. 74, p. 17

**The Government proposes 12 new new towns of varying sizes ranging from 10,000 to 40,000 homes. This means a total of 240,000 to 247,000 new homes by the time the programme is complete. The proposed new towns, plus their anticipated housing supply in households, are included below in descending order of scale:**

1. Brabazon, South Gloucestershire	(40,000)
2. Milton Keynes, Buckinghamshire	(40,000)
3. Tempsford, Bedfordshire	(40,000)
4. Crews Hill & Chase Park, Enfield, London	(21,000)
5. Adlington, Cheshire	(14,000-20,000)
6. Manchester Victoria North, Greater Manchester	(15,000)
7. Thamesmead Waterfront, London	(15,000)
8. Heyford Park, Oxfordshire	(13,000)
9. Leeds South Bank, West Yorkshire	(13,000)
10. Marlcombe, Devon	(10,000)
11. Plymouth, Devon	(10,000)
12. Worcestershire Parkway, Worcestershire	(10,000)

### 2.2.1. Supply Review

While a total new towns contribution of up to half a million new homes would be a welcome addition to the UK housing market in the midst of a housing crisis, it still only represents a modest contribution to UK housing supply on a national scale. The Government still anticipates building 1.5 homes in the life of this Parliament. Were all the new towns to be completed by the date of the next anticipated election in 2029, (an impossibility), they would only contribute to one sixth of the Government’s total target. Moreover, the Government hopes to start construction of only three new towns before the next election, potentially only adding a few hundred homes by that date at most. So in raw demographic terms, the total number of new towns planned when the project is complete is no larger than the London Borough of Bexley and the 22 other London boroughs with higher populations.

This however, is broadly consistent with historic new towns trends. For all their national notoriety, the last phase of post-war new towns only

increased national housing supply by a modest margin. According to Centre for Cities, between 1946 and 1986, new towns were responsible for just 3.3% of housing delivery across the United Kingdom<sup>23</sup>. This chimed with a 1973 United Nations report which estimated that up until that point, new towns had been responsible for just 2.5% of total national housing delivery and 5% of national social housing delivery<sup>24</sup>. Ebenezer Howard, inventor of the garden cities from which new towns evolved, never intended them to be larger than around 25,000 people and Poundbury, Britain's newest new town-type settlement, has a population of just over 4,000 people<sup>25</sup>, smaller than both the Broadwater Farm and Barbican housing estates in London. Milton Keynes, Britain's largest new town, is smaller than the London Borough of Ealing.

What new towns were more effective at achieving however was a faster rate of construction than conventional developments. For almost every year between 1946 and 2020, the housebuilding completion rate of new towns (included expanded new towns like Peterborough and Northampton) was significantly higher than in outside areas<sup>26</sup>. This pattern reached its peak during the second new towns phase in the mid-1950s, in 1954 the rate of construction in new towns was almost four times higher than in the local authorities than outside them<sup>27</sup>.

As the taskforce report itself confirms, by deploying the traditional new towns development model where a development corporation has control over land ownership, "it is possible to deliver greater public outcomes, often at a faster rate of development"<sup>28</sup>. So while new towns may not necessarily be transformative when it comes to housing supply, they are excellent drivers of localised housebuilding activity long after they have been established.

These are invariably developmental trends that the current Government hopes to capitalise upon. But there is also another supply-related difference between the Government's current plans and that of their post-war forbears, an emphasis on smaller, rather than larger, development sites. Post-war Governments could rely on a command economy and a diverse construction market to build new towns at scale. That is no longer the case today and a market economy that has also seen a collapse in the SME (Small & Medium Enterprise) housebuilding sector has far fewer levers at its disposal. SMEs developed 10% of UK homes in 2020<sup>29</sup>, at the height of post-war new town development in the 1960s, it was roughly 50%<sup>30</sup>.

Partially in response to this and partially to stimulate a growth in SME housebuilding, the report notes that "allocation of smaller sites can support smaller developers such as councils, Community Land Trusts and other models of community led development, as well as SMEs, even where the development corporation does not own the land."<sup>31</sup> While the opportunities for meaningful increases in national housing stock may be limited, the Government and the taskforce are to be commended for using the new towns initiative to stimulate greater diversity in the housing delivery market.

23. Blog post, Centre for Cities, August 2024

24. Report, United Nations Seminar on New Towns, June 1973

25. <https://gi.dorsetcouncil.gov.uk/insights/areaprofiles/Ward/dorchester-poundbury>

26. Blog post, Centre for Cities, August 2024

27. Ibid

28. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 95

29. <https://commonslibrary.parliament.uk/research-briefings/cdp-2023-0100/#:~:text=Official%20statistics%20from%20the%20Department,workers%20as%20an%20important%20issue>

30. <https://propviews.co.uk/blog/on-ward-sme-house-builders/#:~:text=The%20golden%20period%20for%20small%20developers%20continued,late%2080s%20however%20the%20fortunes%20of%20this>

31. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 96



**SUMMARY 2.2****Housing Supply****Score: Concerning**

While new towns excel at promoting a high rate of development over time, they perform significantly more poorly when it comes to their overall contribution to national housing supply. Consequently, they should not be relied upon to ensure that the Government meets its stated commitment of building 1.5 million new homes in the life of this Parliament.

## 2.3 Housing Quality & Design

“New towns are particularly well-placed to realise the planning premium and enhance wellbeing by embedding design quality and effective place making at every stage of development”.

**New Towns Taskforce Report**, para. 74, p. 17

The Government proposes that its new towns programme embraces the highest quality of placemaking and design in order to capitalise on what it calls the “planning premium”. This is described as “a measurable uplift in social and economic value” that, “by applying strong town planning and urban design principles to a pipeline of 300,000 new homes a year over a decade”, is capable of a premium of over £50bn<sup>32</sup>.

### 2.3.1. Housing Quality & Design Review

While the Government’s dynamic approach to prioritising high-quality design and the linkage it makes between this and economic value are both welcome, there is precious little detail on the mechanics by which this will be delivered. Neither the words “architecture” nor “beauty” are mentioned once in the taskforce report and aesthetics are not referred to at all.

On one level this is understandable. Historically new towns have developed an inconclusive and inconsistent relationship with aesthetics with Milton Keynes pilloried for its concrete cows and, in the eyes of some, its regimented suburban mediocrity yet consistently over-performing in investment, entrepreneurial, innovation and start-up terms as one of the best business hubs in the country<sup>33</sup>.

Also, the report’s first paragraph makes it clear that “The New Towns Taskforce was established by the government in July 2024 to identify locations for a new generation of new towns in England<sup>34</sup>” and the subsequent focus of the document is very much on strategic matters of location and delivery rather than aesthetic ones of style and appearance.

However, this starkly contradicts Government briefing and publicity prior to the report’s publication on what the new towns would look like. The press made much of the fact that Poundbury was to be the inspiration behind the new towns programme with media outlets like the BBC compiling reports the very day the taskforce report was released exploring How the King’s vision is shaping the next wave of new towns<sup>35</sup>.

This followed hot on the heels of a highly unusual joint visit by the King and Prime Minister earlier in the year to Nansledan in Cornwall<sup>36</sup>,

32. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 74

33. <https://www.miltonkeynes.co.uk/business/milton-keynes-given-shock-rank-among-the-best-cities-in-the-uk-in-very-important-sector-5319479>

34. Ibid; p. viii

35. <https://www.bbc.co.uk/news/articles/c179z9z1kwo>

36. <https://www.bbc.co.uk/news/articles/ce-w5rylqj2ko>

the King's sustainable, successor settlement to Poundbury. Yet beyond a single illustration of Poundbury, the report doesn't mention either it or Nansledan, or promote the traditional values they are based on, once.

The most substantive contribution to report makes to design is in the area of design codes. Happily the fourth of its 44 recommendations clearly states that “each new town should have a clear long-term vision for creating a well-designed and distinctive place, supported by a town-wide strategic masterplan and design code to ensure placemaking quality.”<sup>37</sup> This is a welcome commitment and forms a credible response to the report's own earlier observation that “specific urban design failures in some post-war new towns, and in other large-scale urban developments, shows however that realising [opportunities] is not a given and will require care.”<sup>38</sup>

However, while the report calls for each new town to establish a long-term vision, there is little here on how it should be steered and on what visual, aesthetic or architectural principles it should be based on. This is a significant area of concern. While one would not expect aesthetic principles and especially preferences to be decided at this stage, the absence of any stated strategic recognition that what new towns look like will be central to how well they succeed is unfortunate.

It is particularly unfortunate with regard to the corrosive historic impact poor design has had on the legacy and reputation of the post-war new towns programme. It was a programme whose later phases in particular were increasingly hampered by cheap workmanship, poor materials, overly standardised design approaches and restrictive public realm methodologies.

But even more than this, it was the unilateral and universal imposition of stylistic uniformity that most handicapped the later new towns aesthetic. Leys Street, the principal high street in Letchworth Garden City, features neo-Georgian, late Victorian, Edwardian, Arts and Crafts, mock Tudor and even Art Deco styles, all arranged into the picturesque jumble of varied facades and jutting roofscapes that characterises countless historic English town and village centres. Yet, despite being the largest indoor shopping centre in Europe when it opened in 1972, Runcorn's main retail precinct, Shopping City is a single, monotonous, unleavened slab of monolithic Brutalism. In so doing, it powerfully symbolises the windswept, anonymous, sterile, dystopian, concrete-dominated character that came to define so much of the new towns programme in the public consciousness.

Of course, Poundbury, while not strictly a new town, presented a stirring alternative vision to this nihilistic aesthetic from the early 1990s onwards. While it is broadly stylistically uniform in the sense that it is virtually entirely composed of classical buildings, it achieves infinite visual variety by embracing a riot of colours, roofscapes, proportions, materials, massing, scales and forms. Regardless of architectural style, this should be the aesthetic model the new phase of new towns adopt.

It is an approach that is also popular with the public. Polling for Policy Exchange's 2014 Wolfson Economics Prize, which sought to imagine a Garden City of the Future, found that 72% of those asked agreed that

37. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 114

38. Ibid; p.17

there is a “serious shortage of good housing in Britain”<sup>39</sup>. Equally, CPRE and University College London’s landmark 2020 housing audit found that “most large new housing developments since 2007 in England were of ‘mediocre’ or ‘poor’ quality, particularly in rural areas.”<sup>40</sup>

And, Policy Exchange’s own independent polling has found overwhelming preference for good design with 84% of respondents agreeing (with 42% strongly agreeing) that better quality buildings and public spaces improve people’s quality of life, and the same proportion maintaining that good design improves people’s happiness<sup>41</sup>. Policy Exchange polling has demonstrated an avowed public preference for traditional design with 85% of respondents across all socioeconomic groups maintaining that new homes should either fit in with their more traditional surroundings or be identical to homes already there. This sentiment is most pronounced amongst lower socioeconomic groups with 79% of DE groups believing that new homes should be sympathetic to traditional surroundings.

Of course there are other stylistic routes to beauty and the overriding concern for the new generation of new towns is that uniformity and monotony is avoided at all costs and that variety is comprehensively embedded to maintain the interest and intimacy that makes for the most charismatic places and best responds to the innate spatial and environmental needs of the human condition. The articulation of a clear vision protected by strong, dedicated leadership with which to steer it is the best way to protect these qualities. Therefore much more will have to be done to ensure that the new towns programme attains the visual appeal and design excellence required to make it succeed. The alternative will be a repeat of the mistakes of the past

In 2002 a Transport, Local Government and the Regions select committee report into new towns found the following:

*“The construction materials for the housing were experimental, non-standard and often poor*

*quality, and in some areas now require wholesale replacement. Additionally, the infrastructure, the*

*roads and sewers are now in need of substantial upgrading.”*<sup>42</sup>

It is essential that the highest standards of design are employed to ensure that the failings in the last generation of new towns are not repeated in the next one.

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39. Prize Secretariat, Wolfson Economics Prize, 2014,

40. CPRE, University College London; *Housing Audit for England: Report*; CPRE; 2020

41. *Building More, Building Beautiful*; Policy Exchange, 2018

42. Select Committee on Transport, Local Government and the Regions, *Nineteenth Report*, 2002

### SUMMARY 2.3

#### Housing Quality & Design

#### Score: Concerning

This report acknowledges that the primary remit of the New Towns Taskforce was to make strategic recommendations on the location and delivery of a new generation of new towns. It also welcomes the emphasis the proposals make on placemaking and design codes. However, far too little attention is paid to what visual, aesthetic or architectural principles new towns should be based on, thereby representing a significant area of risk at the critical early stage of the programme.

## 2.4 Housing Density

“New towns should aim to be built at a density sufficient to enable residents to walk to local amenities, support public transport, unlock better social infrastructure, and create active and liveable neighbourhoods, with the government establishing clear minimum density thresholds.”

New Towns Taskforce Report, Recommendation 5, p. 114

**The Government proposes that the proposed new towns fully embrace high density. It argues that “Well-planned urban density allows more homes to be delivered within a compact footprint, creating more space for parks, shared gardens, and community facilities. It also enables more people to live closer to employment, services, and public transport, reducing reliance on private vehicles and associated household costs.” Additionally, the report recommends establishing minimum density thresholds to “give clarity and certainty to delivery partners.”<sup>43</sup>**

### 2.4.1. Housing Density Review

Some of the strongest and most welcome parts of the Government’s new towns proposals relate to density. There is an uncompromising commitment to achieving higher densities overall and at specifically designated locations, such as the centre of new towns. Rightly, the taskforce argues that more compact housing footprints release more land for leisure and public realm and that this more efficient use of land provides economic, environmental and liveability benefits with regard to making infrastructure more viable, inviting a closer concentration of workspaces and residential homes, promoting brownfield intensification, reducing car use and creating more mixed and vibrant neighbourhoods.

All of this is in line with wider Government housing policy. In 2024 revisions to the National Planning Policy Framework (NPPF), the Government expressly mandated that developments must “seek a significant uplift in the average density of residential development within these areas, unless it can be shown that there are strong reasons why this would be inappropriate.”<sup>44</sup>

This caveat is significant. The reason why previous Governments have been less explicit regarding prioritising high density is because high density developments are renowned for being highly controversial, alienating and antagonising local residents who fear overbearing, inappropriate and insensitive developments on their doorstep. These fears are most encapsulated in the controversies that often surround new high-rise developments.

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43. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 71

44. National Planning Policy Framework, Paragraph 130, MCHLG, December 2024



However, Policy Exchange has compiled substantial research and evidence to prove that high densities can be achieved without tall buildings and in a sensitive, sensible and responsible manner that does not alienate communities or have a harmful impact on their existing fabric. Our 2024 paper, *Tall Buildings: A Policy Framework for Responsible High-Rise & Better Density*, revealed that mid-rise solutions are often better at achieving high-densities than tall buildings and have the ability to do so in a less adversarial and more contextually collaborative way than tall buildings.

These findings were explored in detail in another Policy Exchange paper, *S.M.A.R.T. Density: Building Dense & Building Beautiful* (2025) which argues that a smarter, streets-based high-density approach that revives the mansion block could be transformative in not only buying in public support for high-density developments but in ensuring that high density becomes a more active generator of more homes in better places.

Happily, the Government appears to be in perfect agreement with this approach with the taskforce report explicitly stating that “higher density does not mean high-rise development. It can be achieved through well-established and popular housing forms such as terraces and mansion blocks, which can maintain local character, and deliver attractive places and a high quality of life.” This is an approach Policy Exchange research fully endorses.

In pursuing high density, the Government is also wisely seeking to erase the legacy of the famously low-densities the previous post-war generation of new towns were renowned for. Legend has it that Le Corbusier was so furious with the low density pursued at Harlow, one of the earliest post-war new towns, that when he visited England for the 1951 meeting of the Congrès International d’Architecture Moderne in Bridgwater, Somerset, he expressly refused to visit the fledgling Essex township.

Le Corbusier was arguably the mid-20th century’s most prolific architectural proponent of high-density urban living, as exemplified by his iconic 18-storey Unite d’Habitation housing estate in Marseille, begun in the very same year as Harlow, 1947. While three years later Harlow become home to the ten-storey Lawn, feted by some as Britain’s first residential tower block<sup>45</sup>, the vast majority of its dwellings were two-storey houses with expansive private gardens and density ratios as low as four dwellings per hectare<sup>46</sup>. Harlow’s masterplan architect Sir Frederick Gibberd justified this by insisting that “the majority of the people want a two-storey house with a private garden”<sup>47</sup>, an intolerable reactionary and ideological breach to the unflinchingly cosmopolitan Corbusier.

Even Milton Keynes, the last and largest new town with a population of almost 300,000 today, has a housing density of only 27 to 30 dwellings per hectare<sup>48</sup>. Victorian and Edwardian terraced streets in the Newnham district of Cambridge regularly reach densities of 90 dwellings per hectare<sup>49</sup>.

As the Transport, Local Government and the Regions select committee observed about new towns in 2002:

“The masterplans dictated low density development with large amounts of open

45. <https://historicensland.org.uk/education/schools-resources/educational-images/the-lawn-harlow-4590>

46. <https://www.mun.ca/harlow/about-harlow/historical-geography-of-harlow/harlow-and-the-new-town/sir-frederick-gibberd-and-the-design-of-harlow/>

47. <https://municipaldreams.wordpress.com/2016/07/05/harlow-new-town-part-one/>

48. <https://milton-keynes.moderngov.co.uk/Data/Cabinet/200206181900/Agenda/ETL%20Report%20to%20Proposed%20Changes%20.pdf#:~:text=Housing%20density%20%E2%80%93%20in%20Milton%20Keynes,reaches%2050%20dwellings%20per%20hectare>

49. [https://www.savills.co.uk/research\\_articles/229130/357439-0](https://www.savills.co.uk/research_articles/229130/357439-0)

space, and housing segregated from jobs, shopping and business services. These created a [car dependency](#) and are now not considered sustainable. Low density developments are expensive to maintain.”

It is right that the Government is committed to not repeating these mistakes.

SUMMARY 2.4
Housing Density
Score: Encouraging
<p>The Taskforce’s approach to housing density is mature and impressive. Not only do the recommendations make explicit commitments to achieving high density, (an ambition absent from the post-war new towns programme) but they acknowledge that there are housing solutions other than tall buildings that might be best equipped to provide the density uplifts sought. If this methodology is more readily adopted across housing development industry as a whole, then the next generation of new towns could potentially have an historic and transformative impact on our national perception of density and our collective understanding of the most appropriate design strategies by which it can be achieved.</p>

## 2.5 Social & Affordable Housing

“New towns should provide a diverse range of high-quality housing, with a range of housing types and tenures to suit the needs of a balanced community. This should include a minimum target of 40% affordable housing, of which at least half to be available for social rent.”

New Towns Taskforce Report, Recommendation 6, p. 72

**The Government proposes each new town meets a minimum affordable housing target of 40% and of that, expects at least 20% to be social housing. However, these targets incorporate some degree of flexibility, with allowances made for sites whose lower property values make substantial allocation of affordable housing, at least in early development phases, unviable and potentially prohibitive. In these instances, the taskforce recommends setting an agreed lower threshold or the allocation of additional grant funding.**

### 2.5.1. Social & Affordable Housing Review

One of the key differences between this new generation of new towns and the last one will be the quantity of social housing provided. Britain’s 18<sup>th</sup> and 19<sup>th</sup> century model villages were 100% social housing and Britain’s post-war new towns boasted astonishingly high levels of social housing. When initially built, Stevenage, the first settlement designated as a new town, almost all its housing was built for and allocated to the local council. Even today, the average percentage of social housing in England’s post-war new towns is approximately 23%, still almost 5% higher than the national average<sup>50</sup>.

While the fall in today’s proportion of new towns’ social housing may have been dramatic (today just 28.4%<sup>51</sup> of Stevenage’s housing is council-owned), it is consistent with wider strategic trends across UK housing stock. In 1954 when the first post-war new towns phase was drawing to a close and under the pioneering leadership of Harold Macmillan as Housing Minister in the second Churchill Government, just under 70% of all new homes built in the UK that year were built by local authorities. In 2022, it was the figure had collapsed to less than 2%<sup>52</sup>.

It is neither feasible, practicable nor desirable for today’s new towns programme to arrest these wider social and political trends. But in the midst of a housing crisis driven by an affordability trap where, for instance, the average London house price is now fourteen times greater than the average London salary<sup>53</sup>, a forthright commitment to affordable and specifically social housing is welcome.

50. Ibid

51. The New Towns: Five-Minute Fact Sheets. Appendix to New Towns and Garden Cities – Lessons for Tomorrow. Stage 1: An Introduction to the UK’s New Towns and Garden Cities Published by the Town and Country Planning Association © TCPA. Published December 2014

52. <https://www.statista.com/statist>

53. <https://www.ons.gov.uk/peoplepopulation-andcommunity/housing/bulletins/housingaffordabilityinenglandandwales/2022>

Supporting exemplary, well-designed social housing has been a common theme in Policy Exchange research with the *Better Places* (2023), *Socialism & Beauty* (2024) and *Building Beautiful Council Houses* (2025) reports all concluding that there were a multitude of cost-neutral design interventions that could have a dramatic impact on attendant quality regardless of housing tenure. Our defining recommendation has always been that social and affordable housing, as part of a mix of housing tenures provided within tenure-blind developments, is the most effective means to secure the mixed, sustainable communities that all new residential developments should seek to provide.

However, in a time of straitened fiscal finances and a moribund economy where the budget surpluses that helped fund new towns in the 1950s and 60s are conspicuously absent, ensuring that social and affordable housing remains viable in the next generation of new towns does not come without its challenges.

London, the UK's most valuable housing market, provides a vivid demonstration of them. The capital has recently had its minimum new development affordable housing threshold slashed from 35% to 20%<sup>54</sup> under a Sadiq Khan mayoralty that has consistently missed its own affordable housing targets<sup>55</sup>. Mayoral reductions in the minimum percentage of affordable housing new developments must provide are nothing new, 50% was required under Mayor Ken Livingstone, reduced to 35% when Boris Johnson was mayor, now reduced to 20% by Sadiq Khan. But these tumbling thresholds are always enacted in order to stop developers walking away from housebuilding ventures they deem too economically unviable, a risk that will be no less pertinent to new towns.

Therefore, these consistently reducing affordable housing thresholds graphically illustrate the risks of overburdening the private sector with a social housing responsibility once born by the public sector. Equally, they expose the extreme economic balancing act between the public good of providing affordable housing and the private need to maintain economic viability.

Consequently, away from the high land values and established economic resilience of cities like London and Oxford, there are grave reservations as to whether some of the other selected new towns locations can realistically support up to 40% affordable housing.

Plymouth is one such possibility and here the taskforce already acknowledges that “housing delivery has become very challenging in recent years due to increasing struggles with financial viability.” As a consequence, it speculates that “some of the first housing sites are likely to include lower levels” than the 40% affordable “gold standard” and that “without government support, housing is likely to come forward only in a piecemeal fashion, and too slowly to support the jobs need over the next decade.”<sup>56</sup>

The “support” the taskforce refers to comes in the form of cross-subsiding affordable housing if necessary from land capture and increased capital grant funding (See Chapter 2.8: Delivery & Finance).

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54. <https://www.gov.uk/government/news/new-measures-announced-to-ramp-up-housebuilding-in-london>

55. <https://www.cityam.com/sadiq-khan-on-course-to-miss-another-housing-target-critics-claim/>

56. New Towns Taskforce, Report to Government, MHCLG, 2025, p. 56

The Government has already made clear new towns will be able to access the additional £39bn funding made available in the June 2025 Spending Review for the Social and Affordable Homes programme over the next ten years<sup>57</sup>.

Therefore, as long as funding is made available when necessary and the affordable and social housing allocations are made flexibly enough to protect the overall economic viability of new town development, then there is every reason to believe that current plans should lead to the mixed-income communities that form one of the strongest bases for urban vitality and economic growth.

#### SUMMARY 2.5

##### Social & Affordable Housing

##### Score: Neutral

*A great deal of the success of new towns depends on achieving a sustainable socioeconomic mix between residents so the proposals are right to set an affordable housing target. However, it is inevitable that the economic viability of this target will vary from settlement to settlement so it is encouraging that the proposals acknowledge that case-by-case flexibility will be required.*

57. <https://questions-statements.parliament.uk/written-statements/detail/2025-07-02/hcws771#:~:text=At%20the%20Spending%20Review%2C%20we,affordable%20housing%20in%20a%20generation>

## 2.6 Placemaking

*“We recommend that the Government sets out clear placemaking principles to form the basis of any new town masterplan, statutory plan and subsequent development proposals.”*

New Towns Taskforce Report, Recommendation 3, p. 68

**The Government proposes that placemaking is placed at the heart of the new towns programme. In order to do this, it identifies the ten placemaking principles below:**

1. Vision-Led
2. Ambitious Density
3. Affordable Housing and Balanced Communities
4. Social Infrastructure
5. Healthy and Safe Places
6. Environmental Sustainability
7. Transport Connectivity
8. Business Creation and Employment Opportunities
9. Stewardship
10. Community Engagement

### 2.6.1. Placemaking Review

Along with density, placemaking is one of the strongest and most encouraging elements of the Government’s new towns proposals. The taskforce gives the subject the utmost precedence, arguing, wisely, that while economic growth is important, new towns must “be about more than building additional homes. New towns should have a strong vision and be masterplanned at the outset, with a clear strategy for delivering exceptional quality of development throughout its implementation phases.”<sup>58</sup>

Placemaking plays a key role in the “planning premium” referred to in Chapter 2.3 of this report and the taskforce points out that “a rich mix of public spaces also plays a vital role in the social life of communities, helping to create experiences and add social value.”<sup>59</sup> These are admirable intentions and the Government and taskforce are to be warmly commended for placing such unequivocal faith in the value of public spaces to enliven communities and generate success.

Any criticism concerns a lack of practical specificity about what good placemaking looks like and the design strategies by which it can be

58. New Towns Taskforce, Report to Government, MHCLG, 2025, p.68

59. New Towns Taskforce, Report to Government, MHCLG, 2025, p.17

delivered. While the ten principles are good, solid urban design rubrics, they largely read as social studies headings that offer little design detail as to how they can be realised in placemaking terms on the ground. Ambitious density for instance is a worthy goal. However, Manila and Kowloon in Hong Kong offer some of the highest densities in the world but hardly serve as credible exemplars in placemaking terms. Equally, the commitment to affordable housing. But all of the worst council estates in British social history offered 100% social housing and this in itself, was far from sufficient to generate the safe public realm and active open spaces that might have averted their eventual failure.

Even the commitment to adopt a vision-led approach, the bare minimum for any successful urban intervention at any scale, is sketched in laudable but ambiguous terms, lacking the practical mechanisms to ensure that concept is fluently translated into construction in a manner that gives confidence and clarity to stakeholders, residents and crucially, affected neighbours.

This is a point forcefully raised by Lord Gascoigne, chair of the House of Lords Built Environment Committee who conducted an extensive new towns inquiry and concluded that “as it stands, the government’s programme lacks a clear, engaging vision that provides a rationale for these New Towns. It needs to explain to the communities that will be impacted and the wider public what New Towns are designed to achieve and why they matter. New Towns and expanded settlements have the potential to prompt huge public opposition so, before announcing the selected sites, the government must set out a clear engagement and consult the community in a meaningful way.”<sup>60</sup>

However, it remains early days and the taskforce can perhaps be forgiven for focussing more at this stage on the mechanics of the delivery rather than the detail of the finished product. Consequently, in this spirit, it wisely contends that “while the [placemaking] principles should inform all new town development policies and plans throughout their lifespan, the level of prescription and policy focus will likely vary from location to location, to allow room for innovation and to respond to local opportunities and challenges.”<sup>61</sup>

And it is still possible such a powerful endorsement of placemaking’s role within the context of extensive Policy Exchange research body of work that also wholeheartedly recognises the enormous role placemaking has to play in creating better places. The *Building Beautiful Places* report (2019) sought to address Nimbyism by incentivising land owners to build developments that prioritised beauty. *A School of Place* (2022) sought to address the public realm skills shortage identified by the Building Better, Building Beautiful commission by recommending the setting up of a new multidisciplinary architecture and urbanism school (loosely modelled on the infamous Notre Dame school in the United States) to oversee a wholesale increase in architectural, planning and design standards across built environment profession and consequently, within our public realm.

And *Better Places* (2023) contained a radical new tool, the Placemaking

60. <https://www.insidehousing.co.uk/news/lords-warn-plan-for-new-towns-lacks-clear-engaging-vision-93834>

61. New Towns Taskforce, Report to Government, MHCLG, 2025, p.69

Matrix, designed to measure the placemaking quality of new and proposed developments in order to subject placemaking assessments to the same score-based statutory scrutiny as OFSTED rankings and BREEAM ratings.

But perhaps the most compelling endorsement of the placemaking-first approach the Government intends is to avoid the grave placemaking mistakes new towns made in the past. While the first tranche of post-war new towns in places like Harlow and, to a lesser degree, Stevenage, sought a public realm that recaptured and reinterpreted, along Modernist lines, the 'town and country' character deployed by the preceding garden cities era, the tranquil, naturally-landscaped and pedestrian-friendly environments they promoted became corrupted, as later phases progressed, with spatial anonymity, the monolithic insertion of Brutalist architecture and an increasing reliance on the car that all contributed to new towns' eventual reputation for anodyne public realms and bland suburban mediocrity.

In his fascinating 1972 essay, *The Disappointing New Towns of Britain*, renowned U.S. journalist Leonard Downie explores this comparison, and the differences new towns maintain with their historic suburban predecessors, with coruscating precision:

“Traditionally in England suburbs have been tightly knit old towns that have greatly expanded along with nearby big cities. Somehow, many of them have retained much of their individual town identities even though politically, economically and practically they have been merged with their mother cities. There simply was not room in these peripheral communities for many more people by the end of World War II, however, so it is not surprising that the western world’s most ambitious government-supported new town building effort should produce – at the same time as the explosive growth of U.S. suburbia – rather sterile, one-class, automobile-dominated, American-style suburbs.”<sup>62</sup>

The highest standards of placemaking, happily acknowledged in the Government’s proposals, is the only way to ensure that these mistakes aren’t made again.

SUMMARY 2.6
Placemaking
Score: Neutral
Unlike much of the post-war new towns programme, the Government’s current venture is to be commended for fully understanding the critical importance of placemaking. While this understanding is not yet specifically fleshed out in terms of concrete public realm interventions, it is hoped that as the current programme develops, theory will be matched by practice.

62. Downie, Leonard; *The Disappointing New Towns of Great Britain*; Washington Post / Alicia Patterson Foundation, 1972



## 2.7 Infrastructure

“Essential infrastructure, including transport, utilities and social infrastructure is crucial for success”.

New Towns Taskforce Report, para. 232, p. 102

The Government proposes that the development corporations it charges with delivering new towns will take primary responsibility for ensuring that the social, utilities and transport infrastructure provided meets the current and future needs of residents. With development corporations working in conjunction with regional transport bodies, mayoral authorities and other devolved and municipal institutions, the Government anticipates that Whitehall treats new towns infrastructure as a strategic priority and encourages cross-departmental coordination to protect their future infrastructure funding stream. The Government is also urged to consider how new towns could support delivery of the commitment in the 10 Year Infrastructure Strategy to further diversify revenue funding for local transport. Finally, a number of high-profile public transport measures are tabled as part of individual new town developments, often addressing historic structural negations in the infrastructure delivery of previous new towns phases. These include upgrades to the Docklands Light Railway connections serving the Thamesmead new town in south-east London, passing ownership of the Great Northern Line, serving the Enfield Crews Hill new town, from National Rail to Transport for London and the belated delivery of a mass transit urban rail system to Milton Keynes.

### 2.7.1. Infrastructure Review

The taskforce report takes a holistic and highly pragmatic approach to the provision of infrastructure for the new generation of new towns. There is an obvious awareness of infrastructure’s enormous role in ensuring that new towns have the economic, environmental and social viability required to meet the current and planned needs of residents and ensure they become a success. But there is also broad recognition of the corrosive impact a lack of adequate infrastructure provision has the potential to wield with the taskforce report also very bluntly making clear that “infrastructure delivery could prove a binding constraint on new town delivery.”<sup>63</sup> Several instances of this inadequacy have made the headlines in recent years with media reports of developments of thousands of homes being put up with woefully inadequate provision of “shops, schools, surgeries, doctors and playgrounds” becoming increasingly and worryingly common<sup>64</sup>.

63. New Towns Taskforce, Report to Government, MHCLG, 2025, p.102

64. <https://www.theguardian.com/politics/2025/jul/27/housing-projects-eng-land-built-without-play-areas-new-homes>

Mimicking this pattern of negligence on new towns could prove fatal to the entire new towns project and in order to avoid this eventuality, the taskforce report suggests a number of strategies to ensure that infrastructure provision becomes a benefit not a burden to the new towns programme. These include reforming the assessment model used to determine the impact of new town development on the national strategic road network, (perceived insufficient capacity is often a key barrier to development), giving new towns development corporations the power to coordinate utilities upgrades and maintenance and embedding the provision of social infrastructure such as schools, health services and community facilities into a placemaking framework to ensure that they are more forensically aligned to residents needs.

Perhaps the infrastructure recommendations are most impressive when dealing with the thorny issue of the cost of UK public transport infrastructure relative to other similar countries. The taskforce report acknowledges long-standing frustration at this, pointing out that “British tram routes cost more than twice as much those in the rest of the world, at £87m per mile against a European average of £42m per mile.”<sup>65</sup> This has been partially responsible for the growth and productivity of British cities being acutely constrained by the lack of adequate public transport, it is no coincidence that Leeds remains one of the least dense big cities in England and is also the largest city in Europe without a rapid mass transit system<sup>66</sup>. Equally, only three UK cities have underground metro systems (London, Newcastle and Glasgow) compared to five in Spain, six in France, seven in Italy and more than ten in Germany.

The report recommends a number of sensible strategies to make the transport infrastructure costs the new towns programme with entail more affordable. It suggests removing regulatory and legislative cost barriers for urban mass transit, a Government review of these barriers and guidance for reducing costs on future schemes, the introduction of standardised national urban rail mass transit construction standards, reforms to current practices require multiple phased planning permissions, the introduction of new, region-wide funding mechanism for public transport and the consideration of national funding for projects like the mass transit system proposed for Milton Keynes. These exhaustive remedies mark an innovative and highly considered contribution to the national infrastructure debate and if they increase the viability of public transport schemes nationally, then they could have a transformative and very welcome impact on national infrastructure provision well beyond the new towns programme.

The specific transport improvements the taskforce proposes are also of interest. The majority of observers would surely welcome the proposal for a new transit system in Milton Keynes and a Docklands Light Railway extension to Thamesmead in south-east London, conspicuously unserved since its inception by London’s tube or rail network.

But it is the recommendation that Transport for London (TfL) should take over the running of the Great Northern line. In fairness this has been a proposal for several years with the issue being raised at the London

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65. New Towns Taskforce, Report to Government, MHCLG, 2025, p.103

66. <https://www.economist.com/britain/2025/02/05/must-leeds-always-lose>

Assembly as far back as 2015 under the mayoralty of Boris Johnson<sup>67</sup>.

Like any mass transit authority that is responsible for providing services as well as penalties to the public, Transport for London has its detractors. But strategically it is generally considered to be a model of integrated urban transport management and self-governance<sup>68</sup> and runs one of the most extensive and efficient urban transport systems in the world. Its model of a single, publicly-owned transport authority providing streamlined, integrated ticketing and services and with the ability to raise funds, plan growth and distribute franchises to private operators, has long been eyed enviously by other British cities grappling with disparate and deregulated public transport services.

Across the country, there are only a handful of TfL equivalent and all of them enjoy significantly less power than the London authority. Transport for Edinburgh (TfE) is arguably the closest with Merseytravel providing an even looser conflation of transport services in Liverpool. While both, like TfL, have their challenges, they have generally proved better providers of streamlined public transport services than the fully deregulated public services that tend to be the British regional norm. During its long and controversial gestation, the Edinburgh Airport Tram for instance (the city's first tram network) produced eye-watering cost overruns and delays, all of which promoted a public inquiry that condemned a "litany of avoidable failures"<sup>69</sup>. Yet the service now supports the creation of over 1,000 jobs a year in the city and the City of Edinburgh has also calculated that for every £1 of its construction has generated £4 in economic benefit<sup>70</sup>.

In late 2022 under the mayoralty of Andy Burnham, Manchester also introduced its long-awaited Bee Network providing a single, integrated, joined-up bus and tram service for the city<sup>71</sup>. It too has its limitations. Burnham for instance, is unable to unilaterally impose the bus lanes that will reduce bus journey times because, unlike TfL, it is the borough, in the form of Manchester City Council, that retains control of the city's strategic road network and not the devolved combined authority led by the mayor. Nevertheless, a recent Centre for Cities report urges the wider regional adoption of TfL-style authorities and notes "early signs of how the Bee Network has improved services (particularly reliability and punctuality) in Manchester"<sup>72</sup>.

While the vast majority of new towns would be too small to viably mimic this single, integrated transport authority structure, we strongly recommend that this model be replicated in larger, standalone settlements with Milton Keynes acting as a blueprint. Within Milton Keynes, this would offer a number of advantages. Symbolically it would announce a key generational shift in the transportation priorities of a city initially designed almost exclusively for private car use. It would thereby make it easier to overcome the inevitable structural impediments to public transport, such as the city's formidable network of roundabouts, that a more piecemeal and less integrated approach to public transport may struggle to overcome.

Critically, an integrated transport authority would also make the city

67. <https://www.london.gov.uk/who-we-are/what-london-assembly-does/questions-mayor/find-an-answer/great-north-ern-line>

68. <https://www.centreforcities.org/read-er/delivering-change-making-transport-work-for-cities/tfl-model-transport-investment-management-uk-cities/>

69. <https://www.bbc.co.uk/news/uk-scotland-edinburgh-east-fife-66854342>

70. <https://transform.scot/2025/09/09/cross-society-groups-support-extending-edinburghs-trams/#:~:text=The%20statement%20outlines%20the%20benefits%20of%20extending,has%20already%20granted%20permission%20for%20the%20route>

71. <https://www.greatermanchester-ca.gov.uk/what-we-do/transport/the-bee-network/#:~:text=The%20Bee%20Network%20is%20Greater,and%20cheaper%20to%20get%20around>

72. <https://cities-today.com/mayors-urged-to-act-fast-to-deliver-london-style-transport/>

better at assessing its own transport needs and better preparing for how these needs could be satisfied in the future. It is highly unlikely that such an authority would have waited over half a century before recommending that mass rail transit might be a credible way of enhancing the city’s transport infrastructure and thereby boosting its economic growth. And finally, it may well have the vision and foresight to turn the physical constraints to public transport in place in Milton Keynes into advantages.

While the city’s multiple roundabouts and circuitous road layout potentially pose problems for trams or rail transit, they would be unlikely to do so for driverless cars or transport. In the same way that TfL spearheaded the ticketing smartcard technology that led to London becoming one of the first capitals in the Western world to adopt an Oyster card-type system, so too could an integrated transport authority for Milton Keynes potentially enable that achieve similar milestones when it comes to driverless technologies by turning its obstacles into assets. A dedicated, integrated transport authority committed to the city’s transport future and with the powers to help change it, could provide the best municipal conditions for this kind of transformation to take place.

SUMMARY 2.7
Infrastructure
Score: Encouraging
<p>The problem of insufficient infrastructure bedevils regional UK housing development in particular but the Government’s proposals represent a robust and innovative set of solutions – particularly with regard to public transport – that, if implemented correctly, have the potential to enforce wider structural improvements in infrastructure delivery across the country as a whole.</p>

## 2.8 Delivery

*“To ensure control over land and provide long-term certainty and stewardship, the Taskforce recommends that the starting point for the delivery of all new towns is through the development corporation model”.*

New Towns Taskforce Report, para. 142, p. 83

**The Government proposes that the development corporation remains the primary preferred model for delivering new towns. This will essentially make the development corporation at least initially responsible for all the land assembly, planning, funding, delivery, placemaking, design, enabling and management powers and functions required to build the new towns from scratch. While the Government acknowledges that some variation to this arrangement will be necessary depending on the extent of pre-existing private sector, dominant landowner or combined mayoral authority involvement on particular sites, it anticipates that a development corporation will still be involved “in most cases”.**

### 2.8.1. Delivery Review

Historically in England, development corporations have been the preferred traditional model for not only delivering new towns but also major urban regeneration ventures such as the London Docklands Development Corporation (LDDC) which delivered the highly successful transformation of Canary Wharf and Isle of Dogs in the 1980s and 90s. Another example is the Olympic Park Legacy Company, (now the London Legacy Development Corporation, LDDC) that was responsible for the equally successful regeneration of the de-industrialised former urban wastelands that hosted the London 2012 Olympic and Paralympic Games and are now home to thousands of new homes, offices and one of Europe’s biggest shopping centres at Westfield Stratford City.

In fact, the Government press release at the publication of the Taskforce report made specific reference to Stratford as being the model for the development corporations envisaged for the next generation of new towns. The taskforce does cite the availability of other delivery mechanisms such as private partnership and joint ventures with other relevant stakeholders or investors. But it is clear that both the Government and the Taskforce have a clear ideological investment in the ability of development corporations to play the lead and if necessary sole role in the delivery of the next generation of new towns.

Development corporations are bodies established and funded by the

Government and equipped with various, usually significant powers, to deliver large-scale new urban settlements. These powers normally include land acquisition and assembly, compulsory land purchases, planning control, design vision, infrastructure coordination and site development and may or may not include additional, ongoing responsibilities like management, maintenance and stewardship.

The taskforce report identifies a number of advantages to the development corporation model. It cites the importance of providing a single point of accountability, their ability to organise land assembly from an early stage, the procedural efficiency of their combined role as both client and planning authority and the extensive legislative advantages they are afforded to compulsorily purchase land at a lower price that ignores the inevitable future uplift that will be accrued by the eventual awarding of planning permission.

This is known as the ‘No Scheme Principle’ and it is an essential tool in maintaining fair compensation for the public land assembly processes required by projects conceived in the national interest that might be otherwise unviable economically if uplift land values were demanded by landowners. The Principle was further bolstered by additional powers conferred by the Levelling Up and Regeneration Act 2023.

And perhaps most significantly, as discussed in Chapter 2.2 Housing Supply, development corporations have consistently delivered higher build out rates than other delivery models, allowing the state to recoup its investment over a shorter period of time, a crucial advantage in our fiscally straitened times and a particularly alluring prospect in the midst of a housing crisis. As the Taskforce report explains:

“Development corporation-led new towns of 10,000 or more homes tend to have build-out rates averaging 600 or more per year; whereas commercially-led large sites with masterplanned schemes (without Government coordination) tend to deliver an average of c.150 homes per year, taking an average of six years from submitting a planning application to completing the first homes.”<sup>73</sup>

Therefore, there is a wealth of historic, economic and strategic evidence that suggests the development corporation model, flexibly deployed in line with local circumstances and conditions, is the most practicable and sensible mechanism to deliver new towns. They have a proven and impressive track record, can exercise considerable statutory powers, can sidestep and streamline the planning process (which considering the planning system’s structural dysfunctionalities represents a significant advantage) and they represent an efficient consolidation of statutory and stakeholder interests.

However, it is nonetheless worth noting that while development corporations were indeed used to construct the post-war new towns programme, there was one key difference. In the post-war model the development corporation maintained a long-term interest in the new town, Stevenage’s development corporation lasted from the town’s inception in 1946 until it was assimilated into Stevenage Borough Council in 1972,

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73. New Towns Taskforce, Report to Government, MHCLG, 2025, p.85

a 26-year existence. And one during which, as with most new town ventures, the uplift in housing values over time enabled the development corporation to pay back its loans early. By the early 1980s, all English new town development corporation loans had been paid back to the Treasury almost 40 years before they had been due<sup>74</sup>, a remarkable and relatively rare example of British macroeconomic fiscal competency.

But the ‘Stratford’ development corporation the Government currently envisages has a much shorter lifespan, the Olympic Delivery Authority only had a five-year lifespan before it sold its interest in the Olympic Village site to a joint venture between Qatari Diar and developer Delancey in 2011. This meant a £275m loss for the UK taxpayer<sup>75</sup>, a loss than might have been lessened had the a longer public stake been maintained so as to profit from the urban and economic success the site enjoys today. Additionally, unlike Stevenage, ownership passed from public to private hands.

While it is impossible to doubt the success of development corporation urban regeneration ventures like London’s Docklands and to a somewhat lesser extent the Olympic Park, there is perhaps an argument to say that unlike commercial developments like Canary Wharf, the specific custodial nature of residential developments like new towns, might benefit from a longer period of public ownership to nurture and protect the vision and ensure its long-term resilience once it is eventually handed over. Otherwise, in the words of author and housing expert and Peter Apps, the development corporation model does not represent a national programme of civic enrichment but simply becomes “public sector support for specific private sector development”<sup>76</sup>.

But there does exist a highly successful English delivery template for how private sector development can consolidate its prioritisation of commercial interest with the civic responsibilities of the public sector and it is a template which new towns would do well to emulate. London’s Great Estates are widely recognised as exemplars of geographically concentrated, multi-generational civic custodianship and to this day the own, manage and maintain some of the most prestigious, desirable and high value urban property locations and portfolios in the world.

Developed from the pioneering aristocratic speculators who carved out and urbanised the arable fields that once stood to the west of London from the 17<sup>th</sup> century onwards and on which now stands London’s West End, the Great Estates are now usually property companies holding their respective freeholds in trust for the residual, eponymous families that founded them centuries ago. The Academy of Urbanism describes their effectiveness as such:

“Over the centuries, London’s great estates have proved highly successful at creating and maintaining high-quality, vibrant places and neighbourhoods. Their approach to stewardship can be summarised as one that represents a commitment to the long-term future of an area by carefully investing in, maintaining and managing the economic and social, as well as physical aspects, of it.”<sup>77</sup>

Consequently, today, the Great Estates primarily derive their

74. <https://www.tcpa.org.uk/a-fourth-generation-of-new-towns-focusing-on-delivery/>

75. <https://www.theguardian.com/sport/2011/aug/12/olympic-village-qatari-ruling-family>

76. Apps, Peter, *Homeless: How Housing Broke London & How to Fix It*, Oneworld Publications, 2025

77. <https://www.academyofurbanism.org.uk/here-now-3-london-term-stewardship-of-london/#:~:text=Over%20the%20centuries%2C%20London's%20great,New%20London%20Architecture%20newlondonarchitecture.org>



extraordinary success from a variety of sources. These include centralised management, an enlightened approach to placemaking and public realm, a strong strategic appreciation for local character and identity, enhanced social and community awareness, assiduous protection and promotion of a clear, long-term vision, the high economic resilience and expansive commercial versatility subscription to this long-term vision allows and perhaps most importantly of all, single ownership.

Of course, much of this cannot be applicable to new towns. Unlike the Great Estates, new towns cannot rely on the monetary value or iconic prestige exclusive central London addresses can bestow. Neither can they automatically concoct the centuries of steady aristocratic and then civic stewardship that has gradually built the Great Estates into the dynamic and desirable property portfolios they are today. Nor can they rely on ‘oven-ready’ central London infrastructure provision to which they do not directly contribute but from which they draw almost incalculable benefit. And they will never have the global rich bartering to occupy their residential units.

But there are also many similarities too. The presence of a development corporation already provides single ownership and, for a period at least, centralised management. Placemaking and public realm must be clear new towns priorities. The commitment to providing social housing clearly denotes intrinsic social and community responsibilities. And the articulation of a clear, strategic vision has the potential to afford new towns the same economic growth and commercial adaptability that have so richly benefited the Great Estates.

The key relevant difference therefore is one of time. Development corporations are conceived as temporary, short-term measures, the Great Estates are designed as permanent, long-term custodians. And it is from this long-term investment that the bulk of their benefits flow, affording their stakeholders the freedom to experiment and innovate, the resilience to weather inevitable short-term challenges and the reassurance to confidently invest in quality that will reap long-term rewards. If the development corporation model could be adjusted to embrace at least elements of these long-term interests, then it could have a transformational and generational impact on the success of the new towns programme on which the Government has now embarked.



SUMMARY 2.8
Delivery
Score: Neutral
<p>Historically, the development corporation model has certainly proven its worth as an efficient and relatively cost-effective means of delivering both new towns and large-scale urban regeneration in Britain. But fusing its benefits with the more multi-generational custodial incentives of the London Great Estates ownership model could enable new towns to more robustly discharge the long-term leadership, stewardship and civic responsibilities recent showcase UK regeneration projects have sometimes failed to meet.</p>

## 2.9 Funding

“The Government will need to provide significant upfront funding for new towns.”

New Towns Taskforce Report, Recommendation 40, p. 116

**The Government proposes that new towns funding will come from a number of sources. These include the National Housing Delivery Fund, the National Housing Bank and the latest £39bn instalment of the Social and Affordable Housing programme announced in the June 2025 Spending Review. It also commits to factoring new towns funding into departmental and regulatory spending plans to ensure adequate funding is provided for infrastructure, particularly at early development stages. The Government also supports the land capture incentives proposed by the taskforce. Finally, the potential for tax adjustments is also being explored as part of a broader finance and investment model.**

### 2.9.1. Funding Review

New towns, as one might expect, are expensive. They usually require massive outlays of capital spending to provide the up-front investment (especially with regard to infrastructure) to ensure that the development can proceed. Milton Keynes was designated a new town in 1967 and it is estimated that in 1967 prices it cost £700m over 25 years to build. Adjusted for inflation, this is around £11bn today. Of this almost half was borrowed from the Treasury with the remainder coming from local authorities, other public bodies and the private sector<sup>78</sup>.

However it is clear that most of the financial burden for new towns, at least initially, comes from the state. This is why the development corporation is the preferred model for the Taskforce and was the preferred model for the post-war phases of new towns. The development corporation would seek loans from the Treasury and would then be uniquely able to deploy this investment to build the new town using the extensive regulatory and planning powers legislation affords them.

While the urban and architectural qualities of England’s post-war new towns can be called into question, they were invariably financially successful. From 1946 onwards most new towns were financed through fixed-rate 60-year loans from the Treasury. This was particularly advantageous during the 1950s when interest rates were as low as 2-3%, although less so during the mid-late 1970s when they rose to as high as 17%<sup>79</sup>. Notwithstanding, all new towns loans were paid back to the

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78. <https://committees.parliament.uk/written-evidence/141540/pdf/#:~:text=16.,bodies%20and%20the%20private%20sector>

79. <https://lordslibrary.parliament.uk/the-uk-economy-in-the-1980s/#:~:text=Among%20the%20proximate%20causes%20of,to%2017%25%20in%20November%201979>

Treasury by the 1980s, affording the Exchequer a windfall of almost £2bn since in the sale of new town assets<sup>80</sup>. New towns were able to repay these loans because of the massive uplift in land values eventual completion of new town construction triggered. This demonstrates the fiscal wisdom of development corporations in the new generation of new towns not selling their stakes at the first opportunity but in instead maintaining a longer-term ownership interest in order to eventually reap a higher rate of return back to the taxpayer when the corporation is inevitably dissolved.

The highly positive legacy of London's Great Estates - where long-term stewardship and custodianship of specific neighbourhoods concentrates vision, incentivises growth and mandates the highest standards of maintenance and redevelopment – is one that new towns should seek to emulate.

Clearly, our fiscal climate is very different to that of the 1950s which is why, even if development corporations remain the default deliverer of new towns, other economic innovations and incentives will almost certainly be required to ensure that the necessary funding remains available. This is why the various non-development corporations delivery models explored by the Taskforce, including public-private partnerships, joint ventures and institutional investment will also be of critical funding importance.

Additional capital grants may also be required in areas without the economic conditions to sustain the 40% affordable housing target the taskforce proposes and one imagines that there will be significant new town demand on the £39bn budget of the latest tranche of Social and Affordable Housing programme funding. Interestingly, the Government response to the taskforce proposals describes the 40% target as an “aim” rather than a certainty. Time will tell which end of this spectrum new towns will occupy.

One of the most interesting funding mechanisms the taskforce recommends the extensive use of land value capture. As the report explains, this is when the uplift in land value is captured before that value is realised and is then reinvested to fund infrastructure and public amenities, such as affordable housing, that are more directly focused on the public good.

Section 106 agreements are one of such example of land capture where, in exchange for planning permission, a private developer must commit to providing or funding other local improvements that may not necessarily be directly related to the approved proposals. Urban design consultancy URBED, The winner of Policy Exchange's 2014 Wolfson Economics Prize, which sought to imagine a Garden City of the future, also strongly advocated the aggressive use of land capture as a funding tool, echoing a strategy first recommended by Ebenezer Howard when presenting his Garden City concept in 1901. According to the prize-winning submission:

*“In the absence of large scale subsidy the only solution to the economics of the Garden City is what Ebenezer Howard called the ‘unearned increment’. We are proposing a deal for landowners in which they trade a small chance of securing a housing consent on their land, for a guarantee of receiving existing*

80. <https://www.tcpa.org.uk/a-fourth-generation-of-new-towns-focusing-on-delivery/>

use value plus substantial compensation and a financial stake in the Garden City Trust.”<sup>81</sup>

This is certainly a powerful incarnation of the land capture model and offers the advantage of retaining landowners as long-term stakeholders rather eliminating them from future benefits via the use of compulsory purchase orders. Notwithstanding the fiscal reality that there will be no avoiding the use of capital grant funding as a significant component of new towns financing, land capture solutions such as that proposed by URBED, could radically transform how we pay for new towns and, at a time of acute fiscal tightening, lessen the pressure on the public purse.

### SUMMARY 2.9

Funding

**Score: Concerning**

The Taskforce is clear that significant, upfront funding will be required for new towns but as yet, beyond listing the various state channels from which the funding will arise, the Government has made no concrete numerical commitment to what those funding levels will be.

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81. <https://urbed.coop/wolfson-economic-prize#:~:text=Economic%20Viability%20and%20Governance:%20In,the%20quality%20of%20the%20housing>

## 2.10 Political Timescale

“I can announce today that we will go ahead with work in at least 12 locations with Tempsford, Leeds South Bank and Crews Hill identified as three of the most promising sites.”

**Rt. Hon. Steve Reed**, Secretary of State for Housing, Communities and Local Government, speech to the Labour Party Conference, 28<sup>th</sup> September, 2025

**The Government has stated that construction work on three new towns, Tempsford, Leeds South Bank and Crews Hill, will begin before the next UK general election. Commitments beyond this have been vague, with the Taskforce confirming that the new towns full roster of new homes will be delivered over “the coming decades”.**

### 2.10.1. Political Timescale Review

There are two timescales that are relevant to new towns, or for that matter any form of urban development: urban and political. With the former, time is a benefit and preferably the longer the better. Cities are not instant creations, nor should they be. One of our most famous aphorisms correctly advises that Rome was not built in a day and cities need time to grow, mature and evolve, slowly embedding themselves into patterns, fabric and memory and glacially cultivating the character and identity that will ultimately make the special and using these to delicately generate arguably the most precious quality of all, a sense of place.

When matters of this intricate nature are rushed the results are rarely impressive and even one of England’s earliest historical ‘new towns’, the rapidly rebuilt City of London after the Great Fire of 1666, dismayed some by repairing itself with a speed that today seems utterly alien to the preferential timelines of contemporary British state enterprise. As the Monument to the Great Fire of London wryly observed in 1677, clearly irked by the frustration of Sir Christopher Wren’s plans to rebuild London as a great classical capital: “Haste is seen everywhere, London rises again, whether with greater speed or greater magnificence is doubtful, three short years complete that which was considered the work of an age.”

However, political timescales operate on an entirely different trajectory and it is one on which current new towns plans give cause for concern. The Government has only committed to starting work on three new towns before the next election and it is inconceivable that by this stage works would have proceeded to a stage that will enable the first new residents to occupy their homes. This means new towns will make zero contribution

to the Government’s much-vaunted plans to build 1.5 million homes by the next election, a target already probably fatally imperilled by insufficient inactivity thus far. While official housebuilding figures for the 2024/25 period have not yet been released, some have estimated the Government to has built only 186,600<sup>82</sup> new homes since coming into power in July 2024, which means that with one fifth of this Parliament already spent, only one eighth of its overall housebuilding target has been met.

Of course, no one would seek to rush the delivery of new towns and once in place, as we have seen they tend to foster a higher rate of development than non-new town areas, in 1954 the rate of construction in new towns was almost four times higher than in the local authorities than outside them<sup>83</sup>.

But when is left wondering why the Government chose to make new towns one of the flagships of its new housing policy when they were so patently ill-equipped to deliver the housing units that policy had clearly set as its time-sensitive target? A generous reading might suggest that the Government’s long-term approach is more concerned with excellence than expediency. A less forgiving one might conclude that the Government’s housing policy lacks the strategic cogency to succeed. Whichever analysis turns out to be correct, one inescapable fact is already clear, new towns will not be providing even the slightest relief to the housing crisis before the next general election and probably not until several decades beyond it.

SUMMARY 2.10

Political Timescale

Score: Concerning

Work will only begin on three new towns before the next general election. This means that new towns will make no contribution whatsoever to the Government’s political target of easing the housing crisis by building 1.5 million new homes during the life of this Parliament.

82. <https://www.homebuilding.co.uk/news/how-many-homes-have-labour-managed-to-build-in-their-first-year-in-power>

83. Blog post, Centre for Cities, August 2024



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