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Built Environment Committee

2nd Report of Session 2024–26

New Towns: Laying the Foundations

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Built Environment Committee

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Evidence is published online at <https://committees.parliament.uk/work/9016/new-towns-practical-delivery> and available for inspection at the Parliamentary Archives (020 7219 3074).

Q in footnotes refers to a question in oral evidence.

SUMMARY

This report marks the conclusion of the first in a series of modules in the Built Environment Committee's inquiry into new towns and expanded settlements. The Government's new towns programme was launched in July 2024, and we have been enthused by its potential to deliver substantial benefits to the country and the economy over the next few decades.

In this first module, we have examined the frameworks and foundations that need to be in place for the Government to be able to begin to deliver this new towns programme: vision and purpose; masterplanning and design; governance and stewardship; and finance and funding.

We are keen to support the Government in turning its ambition into successful towns and expanded settlements, but we will do so as a critical friend, showing where there is room for improvement just as much as we celebrate success. To that end, we have reached the following conclusions:

- **Set a compelling national vision now**

The programme urgently needs a clear, engaging vision that explains what these new towns are for, what they are designed to achieve and why they matter. The Government must set this vision for both the entire programme and for each individual project, and consistently communicate it to secure investor, local authority, and public support for the programme.

- **Define a purpose beyond housing targets**

The new towns must do more than meet numerical housing targets: they should drive inclusive growth, improve life chances, and act as exemplars for contemporary urban design. The Government must also ensure that the programme works to reduce regional inequalities rather than reinforcing them, not concentrating the sites solely in the south-east.

- **Ensure clear ministerial leadership with a cross-government focus**

The programme needs strong and visible leadership from a dedicated minister with sufficient time and of sufficient seniority to drive the programme from the centre and ensure cross-government cooperation and coordination.

- **Adopt an 'infrastructurefirst' approach**

Successful new towns need transport, utilities, and social infrastructure such as schools, health facilities, shops, and community spaces, and these all need to be in place from the very start. A robust and funded delivery plan for early infrastructure needs to be in place by the time the first houses are built.

- **Masterplan for quality, flexibility, and momentum**

Masterplans will need to be sufficiently detailed to provide certainty to developers and stakeholders but must also build in flexibility, be delivered in phases, and be reviewed at least every five years. They need to incorporate diverse plot sizes to encourage variety, help maintain financial viability, and allow small and medium-sized enterprises (SMEs) to participate in delivery.

- **Mandate highlevel design standards with local nuance**

There need to be mandatory basic design standards—enforced by central oversight—to guarantee quality and restore public trust in development, reinforced by locally specific design codes that reflect the local vernacular and context.

- **Engage communities early and meaningfully**

The Government needs to set a national framework for engagement and codesign as soon as the sites are announced to build legitimacy and reduce the chances of delay further down the line. Community review mechanisms can shape local design standards and ensure that residents are involved in planning the services and spaces they will use.

- **Use development corporations as the default delivery vehicle**

Locally-led development corporations are a tried and tested delivery model, able to combine a longterm focus with land assembly powers, encouraging credibility with investors. The Government must, however, provide strong central oversight. In addition, it is essential that the Government retains a small ownership stake in each corporation to provide confidence to investors and support access to low-cost borrowing.

- **Embed longterm stewardship from the outset**

Delivery bodies must plan for the long term from their very inception, and the Government should encourage the use of models—such as community land trusts—that ensure that the benefit of each town’s core assets flows to the community once the initial investment has been repaid.

- **Finance through partnership and patient capital**

These new towns will only be possible with significant amounts of private investment, but public lending and guarantees will be essential to fund early infrastructure and sustain ambitious levels of affordable housing. A level of active participation and investment from the outset on the part of the Government will provide the certainty and security needed to derisk the projects for patient investment.

- **Capture land value and broaden funding tools**

The Government must ensure that it maximises land value capture and reinvests the proceeds in infrastructure and in the community, sequencing policy and site decisions to prevent value leakage. The programme provides an excellent testing ground for exploring alternative and novel financing instruments that may subsequently be applied elsewhere—such as bonds, taxincrement financing, business rates supplements, and mayoral community infrastructure levies.

This programme provides a major opportunity to deliver highquality, affordable, and sustainable new towns and expanded settlements at scale. This Committee stands ready to support the Government, offering constructive challenge, practical recommendations, and sustained scrutiny, to ensure that the programme succeeds. We are excited by its potential and are looking forward to starting the next module of our inquiry to ensure that new towns deliver lasting benefits for communities across the country.

SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS

Introduction

1. *Those leading and delivering the new towns programme must have a clear understanding of the history of similar initiatives, and the different contexts within which they took place, and be able to draw on the lessons of the past, using past successes to inform their implementation of the new programme and past failures to avoid their pitfalls. (Paragraph 15)*
2. We hope that the Government will now drive this agenda forward and deliver this programme in a way that takes full account of the recommendations in this report. (Paragraph 21)
3. This latest attempt to create a new generation of new towns is an opportunity to get it right this time: to get these new towns built and to enable them to thrive. It is an opportunity to build genuinely affordable, high-quality homes and to create communities in which people want to live. Our attitudes to the concept of new towns have grown and evolved over the course of this inquiry; each member of this Committee, regardless of party affiliation and background, is united in their desire to do all they can to ensure the programme's success and, as a critical friend, to support the Government in defining and delivering the programme. (Paragraph 29)

Vision and purpose

4. We agree with the Minister that there is a vision for the new towns programme. However, we feel that the Government has not sufficiently communicated this vision since launching the Taskforce, and that the language used to date described a somewhat technocratic and utilitarian vision that is yet to fully resonate with the general public or the built environment sector. By choosing to delegate responsibility for setting a vision for both the programme as a whole and for individual projects to the New Towns Taskforce, the Government has further compounded the problems of communication and public support and has distanced itself from much needed accountability. In our view the concurrent site selection and vision setting process has put the cart before the horse in terms of effective policymaking. (Paragraph 40)
5. *The success of the programme will require sustained support and consent from all sections of society for decades to come. That support is not yet widespread. The Government must therefore craft a clear and compelling vision for the programme as a matter of urgency and take all possible steps to disseminate this vision as widely and frequently as possible. (Paragraph 41)*
6. If economic growth and support for industrial strategy are to be the key purposes of this new programme, this must result in more than simply building houses where there are currently jobs. The benefits of the programme must be dispersed as widely as possible across the country with the aim of driving development and growth in areas that are currently struggling economically to the same extent as supporting industries and local economies that are currently thriving. (Paragraph 47)
7. *The Government must retake control of the narrative and articulate a clear and ambitious vision that seeks to transform people's lives, health, and opportunities. A key element of this must be to inspire developers and planning authorities to use the new towns as exemplars for future development. (Paragraph 48)*

8. We see considerable potential for strategic authorities across England to play a critical role in supporting and delivering the new towns programme and its overarching vision. In achieving this, the aims and ambitions of different layers of government will need careful coordination, both in the creation of these new regional structures and in the Government's ongoing relationship with them once established. (Paragraph 51)
9. *We recognise the critical role that the proposed strategic authorities will play in moulding and sculpting the Government's vision to suit their individual needs and circumstances. However, for the new towns programme to fulfil its potential, it must be led and funded from the centre. The vision must therefore be articulated and delivered by Ministers, in consultation with Parliament, in unambiguous terms that enable all strategic authorities to understand the overarching vision and purpose for the towns they deliver in their region.* (Paragraph 52)

Genius loci

10. New and expanded towns offer a unique opportunity for the built environment sector to create new aspirational communities, that avoid the criticisms levelled at volume housebuilders. There is ambition and drive across the built environment sector to design and deliver innovative new communities. This must be embraced, with developers of all sizes encouraged to create exemplary new developments. (Paragraph 56)
11. Early infrastructure development plans for, and puts in place for the future, essential services—schools, shops, green spaces, and health services—without which communities cannot develop to their full potential. (Paragraph 60)
12. The inclusion of plots of differing sizes in masterplans offers opportunities for SME developers to participate effectively in the delivery of new towns. It also encourages human-scale development, avoiding homogeneity. (Paragraph 63)
13. Phased masterplans, coupled with structured periodic reviews, provide flexibility to accommodate changing circumstances and would ensure that the new towns remain financially viable, maintaining investor confidence. (Paragraph 65)
14. *The Government should pursue an infrastructure first approach to delivery, prioritising social, physical, and environmental infrastructure at the earliest stages of development.* (Paragraph 66)
15. *Masterplans for new and expanded towns must incorporate diverse plot sizes.* (Paragraph 67)
16. *Masterplans must be implemented in phases and be reviewed every five years with oversight from the planning agency for new and expanded settlements, the establishment of which is recommended in Chapter 4.* (Paragraph 68)
17. We agree that mandatory design standards are necessary for assuring quality across the entirety of the Government's new towns programme, encouraging community confidence, and ensuring that exemplary developments are delivered. These must not, however, be unduly prescriptive and must be sufficiently flexible to adapt to local circumstances. (Paragraph 73)
18. *The Government should set high-level design standards for the entire programme, to be overseen by the centralised planning agency for new and expanded towns we*

recommend establishing in Chapter 4. These should be supplemented by locally sensitive design standards for each individual new town. (Paragraph 74)

19. New towns and expanded settlements have the potential to prompt huge public opposition to both the programme and to individual projects, which risks delaying development or even preventing it from going ahead altogether. (Paragraph 79)
20. *Before announcing the selected sites, the Government must set out a framework for meaningful community engagement and consultation for both the programme as a whole and for each individual project. (Paragraph 80)*
21. The Government established and launched the New Towns Taskforce without first engaging with the public to communicate both its vision for the programme and the parameters for the Taskforce's work. By taking this approach, the Government has risked eroding trust in the programme and in its wider planning and development ambitions. (Paragraph 83)
22. A national spatial strategy would have provided a clear framework for selecting the locations of the new and expanded towns, giving clearer legitimacy and transparency to the Taskforce's selection. This would have connected location selection with the Government's wider ambitions, better aligning the programme with the Government's other missions and strategies. While it is too late for such a strategy to impact the current programme of new towns, it remains a necessity for future phases of the programme, and for development more widely. (Paragraph 85)
23. *The Government must introduce a national spatial strategy as quickly as possible to demonstrate its commitment to its future development ambitions. (Paragraph 86)*
24. Delivering multiple new and expanded towns alongside other major infrastructure projects offers a prime opportunity for the sharing of knowledge, experience, and expertise across the built environment sector. (Paragraph 91)
25. Several decades of consistent underinvestment in the planning profession has led to an acute national skills shortage. This poses a critical threat to the viability of the new towns programme, even if all of our other recommendations are implemented in full. The ability to address this has been diminished by the Government's decision to abolish level 7 apprenticeships for those over 21 years old. (Paragraph 92)
26. *The Government should use its convening power and good offices to support the establishment of a network of representatives from every new town project, alongside other major UK development schemes, to meet regularly to share knowledge and report back to the Government through the planning agency for new and expanded towns recommended in Chapter 4. (Paragraph 93)*
27. *The Government should reverse its decision to abolish level 7 apprenticeships for those over 21 years old and must, at the minimum, do so for all professions related to the built and natural environments. (Paragraph 94)*

Governance and stewardship

28. Development corporations are, in the vast majority of cases, the most appropriate delivery model for both new towns and expanded settlements. We are encouraged by the Government's stated preference for that model

and welcome the additional powers for development corporations included in the Planning and Infrastructure Bill. (Paragraph 102)

29. *Development corporations should be the default governance and delivery structure for new towns and expanded settlements and should be used in all but exceptional cases.* (Paragraph 103)
30. *The Government should retain a small but effective ownership stake in each development corporation in order to encourage investor confidence and demonstrate accountability at a national level.* (Paragraph 104)
31. Development corporations benefit from local leadership when combined with central government support. Local and strategic authorities must be represented in governance structures, and central government oversight is essential. (Paragraph 110)
32. Regardless of the delivery model, local authority stakeholders will play a critical role in the delivery of new towns and expanded settlements. It is vital that local authorities are able to engage fully with delivery and be involved in decision making at every stage. (Paragraph 111)
33. *Representatives from local authorities must be involved in the management structure of each development corporation.* (Paragraph 112)
34. As with the earlier new towns and garden cities, the community must be at the heart of the governance structure and delivery model. Community assets must be protected and held for the benefit of the community. (Paragraph 115)
35. *New towns and expanded settlements should be seen as an opportunity to experiment with innovative forms of community involvement and ownership models during the establishment of their delivery vehicle. Such models should blend the effective representation of community interests with the effective management of community assets, ensuring that the benefits of those assets are returned to the community when the delivery vehicle ceases operations.* (Paragraph 116)
36. The Committee welcomes the Minister's dedication to the new towns programme. However, a programme of such scale and ambition must be the responsibility of the whole government, not a single minister, and however ministerial and government oversight and sponsorship is structured, it must be capable of coordinating multiple departments and unlocking funding throughout the lifetime of the programme. In the absence of dedicated, cross-departmental, Cabinet-level leadership, we remain concerned about the wider Government's overall capacity for, and commitment to, coordinated delivery. Without Government management and support, there is a strong likelihood of failure. (Paragraph 124)
37. *The Government must play an active role in coordinating and convening all of the stakeholders involved, including such bodies as Homes England and Natural England, both cross-departmentally, and between different layers of government.* (Paragraph 125)
38. We are disappointed that the Minister has not considered the creation of a contemporary iteration of the original New Towns Commission to manage the ownership of assets and provide long-term stewardship. We believe that such long-term considerations are critical to the success of the programme, and that the future of the communities and their assets must be an active discussion from the outset. (Paragraph 126)

39. *A centralised planning agency for new and expanded towns, reporting directly to the Minister, should be established to oversee, support, and ensure the quality of, individual projects from a central perspective, and maintain a consistent strategic vision. (Paragraph 127)*
40. *The planning agency for new and expanded towns should be responsible for the long-term management and dispersal of assets once the delivery vehicle has ceased operations. (Paragraph 128)*

Finance and funding

41. *The Government should recognise, and make a clear commitment to provide for, the need for an element of public funding if new towns are to develop and to achieve their aims. (Paragraph 136)*
42. *At Autumn Budget 2025, the Government should set out in explicit terms the precise mechanism through which it will provide public funding to the new towns programme and the individual new towns. (Paragraph 137)*
43. *At the same time as it designates the new towns, the Government should establish the institutional mechanisms for financing them, including bringing in potential investors for each scheme at the start of the process. (Paragraph 141)*
44. Returns on loans and investment will only accrue in the long term, and patient investment by both the private and public sectors will therefore be the primary source of finance for the programme. This will require a different approach to the phasing of investment. (Paragraph 142)
45. *The Government should establish a clear legal framework for patient investment by the private and public sectors from the start of the new towns programme. (Paragraph 143)*
46. Establishing a framework for patient investment will require service and infrastructure providers to be involved in the development of the funding model, in the masterplanning, and in the phasing of the new town from the outset. (Paragraph 150)
47. *The Government should model the availability and phasing of funding to support the ‘infrastructure first’ approach to new town development we recommend in Chapter 4 and should publish and disseminate the results of that modelling. (Paragraph 151)*
48. *The Government should make a clear commitment that specific new towns will only be included in the first wave of the programme if the development corporation has established a financing and funding framework and this has been signed off by the Minister. (Paragraph 152)*
49. There are a number of innovative methods for funding major developments and, in particular, for funding infrastructure, that are either being put into place by HM Treasury or have already been used in certain cases. (Paragraph 161)
50. *The Government should take the opportunity provided by the new towns programme to test some of these alternative methods both to obtain extra sources of funding and to evaluate their wider applicability to general development. (Paragraph 162)*
51. *The new towns programme should be used to develop new ways of maximising the gain from land value capture and of reinvesting that gain in the community that created it, to act as exemplars for future development. (Paragraph 169)*

52. The continued inclusion of hope value in the assessment of compensation for compulsory purchase orders would pose a clear risk to the financial viability of new towns and make the delivery of affordable housing and community benefits much less feasible. (Paragraph 174)
53. *The designation of a new town that includes a commitment to deliver affordable housing and other community benefits should include a direction that the assessment of compensation for any compulsory purchase order within the designated area must exclude hope value.* (Paragraph 175)

New Towns: Laying the Foundations

CHAPTER 1: INTRODUCTION

1. One of the first acts of the incoming Government following the 2024 general election was the launch of its new towns programme.¹ This is the latest in a long line of ambitious programmes to build new settlements over the past century and a half, most notably in the decades immediately following the Second World War. From today's vantage point, the first generation of post-war new towns have been a genuine success, and we explore this below. They have undoubtedly faced challenges but have nonetheless matured to become an integral part of the UK's urban landscape as places where many tens of thousands of families live and work happily. However, subsequent programmes have struggled to replicate this success as originally envisioned, leaving a trail of dysfunctional settlements and, latterly, largely failing even to get spades in the ground.
2. The launch of this latest new towns programme at such an early stage of this Government's time in office suggests a desire to overcome some of these more recent disappointments and emulate the success of the post-war programme. It was this ambition that attracted the Built Environment Committee to examine the programme, and we are keen to play a constructive part in ensuring that the programme succeeds.
3. When we decided to inquire into the New Towns Programme, we recognised the vast scale of the topic, and saw that it would involve several of the biggest contemporary policy issues, from planning reform, housing delivery, and infrastructure to community building and public services. We felt that tackling all of these topics in a single, exhaustive inquiry would make the inquiry extremely difficult to follow, would make it difficult to investigate any issue in the depth it deserved, and would be likely to result in a dense, unwieldy, and unreadable report. We therefore took the decision to approach this inquiry in a novel way, breaking it into discrete but interlinked modules, each addressing a particular aspect of the programme. Our hope is that the report of each module will be short, sharp, and focused, but will result in a cohesive and coherent collection whose value is far greater than the sum of its individual parts.
4. This modular approach means that we have kept the focus of this initial report as narrow as possible. There are many other important issues that we will be exploring in much more depth in subsequent modules: issues such as community building and placemaking, housing development and housing policy, as well as infrastructure and transport. This will enable us to give each of these topics the detailed attention and analysis that they merit.

Historical background

5. The UK has a long history of thinking about, and developing, new towns and settlements, from early philanthropic examples such as 19th-century

1 Ministry of Housing, Communities & Local Government, [Policy statement on new towns](#), 31 July 2024

Bournville, through Ebenezer Howard's Garden Cities² movement of the early 20th Century, with its developments at Letchworth and Welwyn, to the post-war New Towns programme.³ This latter programme delivered 32 new towns across the country between 1947 and 1970, and is seen by many as the apotheosis of the new towns movement in the UK.

6. Hugh Ellis, Director of Policy at the TCPA, described the post-war new towns programme as, at the time, the largest urban experiment ever seen⁴. These new towns displayed several characteristics worth considering when designing and evaluating this new programme and a number of witnesses drew on these past examples in discussing the ideal attributes of this new programme of new towns.
7. First, the post-war new towns came on the back of a period of reflection about the development of the underlying policy and what constituted suitable locations for those developments. The policy initially emerged from reports such as that by the Royal Commission on the Distribution of the Industrial Population,⁵ published in January 1940, which recommended the development of garden cities, as well as suburbs and satellite towns, but cautioned that "such development is not likely to proceed successfully if left entirely to private enterprise".⁶ The main policy development was driven by the New Towns Committee, a Government committee established under the chairmanship of Lord Reith by the Minister of Town and Country Planning. The Committee's report in 1946 included at least two recommendations that resonate with current debates: that developments should include commercial and social facilities from the outset and that the emphasis should be on providing jobs as well as housing.⁷
8. In the decades since its inception, there has been extensive discussion and analysis of the lessons to be drawn from the post-war new towns programme⁸. It would not be possible to provide a cogent and fair summary of the range of arguments in such a contested field and, moreover, the world has moved on in the intervening years. Accordingly, we are keen to focus more on looking to the future than on rehashing arguments about the past. Nevertheless, from our analysis, we have identified the following core attributes of the post-war new towns:

2 Sir Ebenezer Howard, *Garden Cities of To-Morrow*, 2nd edition (London, S. Sonnenschein & Co. Ltd, 1902)

3 For further information on the 1946–70 New Towns programme, see, for example, The Town and Country Planning Association, [New Towns](#). See also Katy Lock and Hugh Ellis, *New Towns: The Rise, Fall and Rebirth*, 1st edition (London: RIBA Publishing, 19 February 2020)

4 [Q 127](#) (Hugh Ellis)

5 Royal Commission on the Distribution of the Industrial Population, *Report*, [Cmd 6153](#), January 1940

6 *Ibid*, Para 285

7 Local Government and the Regions Committee (TLGR), [The New Towns: Their Problems and Future](#), (19th Report, Session 2001–02, HC Paper 603-I)

8 See, for example, Meryl Aldridge, *The British New Towns: A Programme without a Policy* (London: Routledge, 1979); Anthony Alexander, *Britain's New Towns: Garden Cities to Sustainable Communities* (London: Routledge, 2009); House of Commons Library, [Challenges facing new towns](#), 4 July 2017; Jon Neal, [New Towns: What Can We Learn From History](#), 11 December 2024; F. J. Osborn and Arnold Whittick, *New Towns: Their Origins, Achievements, and Progress* (London: Leonard Hill, 1977); TLGR, [The New Towns: Their Problems and Future](#), (19th Report, Session 2001–02, HC Paper 603-I) and HM Government, *Government's Response to The New Towns: Their Problems and Future*, November 2002 ;[Cm. 5685](#) and Communities and Local Government Committee, [New Towns: Follow-Up](#) (Ninth Report, Session 2007–08, HC 889)

- having a clear purpose and vision, both for the individual towns and for the programme as a whole, such as meeting the urgent post-war need to provide housing—particularly for London citizens;
- being Government-led and championed;
- providing social and physical infrastructure at the start of development;
- capturing the uplift in the value of land for the benefit of the community;
- having initial funding coming from the state with the Government acting as a patient investor⁹—sufficiently patient not to terminate the arrangements before the towns could start to deliver a return on that investment;
- being innovative and trialling new approaches, including the provision of transport infrastructure;
- treating a town holistically, including by delivering employment and recreation.

Many of these attributes will be examined further in later chapters or in subsequent modules.

9. Subsequent initiatives to create new towns and new communities, whether Government or private sector-led, have not all been so successful. For example, in 1983, Consortium Developments Ltd (CDL) was established by a group of major housebuilders with the intention of developing up to fifteen new country towns in the prosperous region around London. These were areas of high demand for housing but with highly restrictive local planning policies. Each town would have comprised around 5,000 dwellings, with social and physical infrastructure largely provided by CDL. The consortium put forward four applications for large settlements, none of which obtained planning approval, despite Ministers calling these applications in for their own decision. The initiative was ultimately abandoned.¹⁰
10. In 2007 a competition for a programme of ten ‘eco-towns’ was announced by the then Chancellor of the Exchequer, Rt Hon Gordon Brown MP. The Labour Government received 57 expressions of interest which were whittled down to a shortlist of fifteen. Four of these were then given the go-ahead in 2009,¹¹ with the Government publishing a Planning Policy Statement setting out the criteria.¹² These towns had a minimum target of 5,000 homes and had to meet high standards for carbon neutrality, the provision of social and commercial facilities, and affordable housing. However, the selection of these locations took place outside the standard planning processes, meaning that they did not go through local planning authorities and were not subject to local consultation. Local opposition and a change of Government meant

9 See Chapters 4 & 5 below for more detailed discussion of patient investment

10 See, for example, Stephen Ward, Consortium Developments Ltd and the failure of ‘new country towns’ in Mrs Thatcher’s Britain, *Planning Perspectives*, Vol 20, Issue 3, (2005), pp 329–359: <https://www.tandfonline.com/doi/full/10.1080/02665430500130290>

11 The National Archives, *John Healey: Green light given on eco-town sites plus tougher standards for future homes*, (16 July 2009)

12 Communities and Local Government, *Planning Policy Statement: eco-towns A supplement to Planning Policy Statement 1*, (16 July 2009), see also Ministry of Housing, Communities and Local Government, *Eco-Town: Living a Greener Future*, (April 2008)

that only one of the four chosen sites—North West Bicester—ever started development (and remains uncompleted).

11. Ten years later, in January 2017¹³, the then Conservative Government published a list of 14 Garden Villages and three Garden Towns that had been agreed for development. Some fairly loose standards had been set in in the Government’s 2016 *Locally-Led Garden Villages, Towns and Cities* prospectus,¹⁴ and they were each to contain between 1,500 and 10,000 homes. A Daily Mail survey in 2023 showed that, at that time, only one of the villages—West Carclaze in Cornwall—was under construction and plans for only six others had been approved.¹⁵
12. In 2022, the Government announced that thousands of new homes and jobs would be created in beautiful, green neighbourhoods across England, supported by £15 million government funding for garden communities. The Government set out funding for ten new Garden Towns that had not been included in the 2017 proposals and 33 Garden Villages, some of which overlapped with the 2017 list. The funded Garden Towns included Otterpool Park in Folkestone and Hythe, which was the subject of written and oral evidence to the Committee.¹⁶
13. There are many lessons for the current programme to be drawn from these less successful examples. The attributes of previous new towns are covered in subsequent chapters, and some were more successfully achieved than others. We must, however, be careful not to be too rigid in our analysis of these lessons: as Joanna Key, Director-General, Regeneration, Housing and Planning, at the Ministry of Housing, Communities and Local Government reminded us, “we are in a very different world than we were in the 1970s”.¹⁷
14. Nevertheless, many of the values and aspirations implicit in the Government’s announcement of this new programme of new towns echo those of previous programmes. As Hugh Ellis remarked, “it is important to have a holistic vision of what these places are intended to do. All I would say about that is that we have done that before. It was implicit in 1946 during the parliamentary debates. It was absolutely shot through with a notion of really high-quality design based on social justice”.¹⁸
15. ***Those leading and delivering the new towns programme must have a clear understanding of the history of similar initiatives, and the different contexts within which they took place, and be able to draw on the lessons of the past, using past successes to inform their implementation of the new programme and past failures to avoid their pitfalls.***

13 BBC, [Garden villages: Locations of first 14 announced](#), 5 January 2017

14 Ministry of Housing, Communities and Local Government, [Locally-Led Garden Villages, Towns and Cities](#), 9 March 2016

15 Daily Mail, [What happened to England’s new ‘garden villages’? Seven years after the government trumpeted grand plans to build 48,000 homes in 14 areas](#), 3 December 2023

16 Written evidence from Bryan Rylands (NTP006) and [QQ 1, 2, 7](#) (Susan Priest) [QQ 1, 2, 7](#) (Susan Priest) see also Community Planning Alliance ([NTP002](#)), District Council Network ([NTP0034](#)) and Quod ([NTP0071](#))

17 [Q 143](#) (Minister of State for Housing and Planning)

18 [Q 135](#) (Dr Hugh Ellis)

The New Towns Taskforce

16. In line with its commitment in the 2024 Labour manifesto¹⁹, the Government launched the New Towns programme and the New Towns Taskforce, an independent advisory panel, via a Government Policy Statement on 31 July 2024.²⁰ This set out the Government’s clear desire for the new towns programme to take a bold approach to development, setting high standards with quality at their core:

“We have been clear we want exemplary development to be the norm not the exception. The next generation of new towns must be well-connected, well-designed, sustainable, and attractive places where people want to live and have all the infrastructure, amenities, and services necessary to sustain thriving communities. Our ‘New Towns Code’ will ensure they deliver to the highest standards and help meet housing need by targeting rates of 40% affordable housing with a focus on genuinely affordable social rented homes.”
17. The Taskforce has 10 experienced and respected members, drawn from the fields of architecture, housing, planning economics, development, investment, and politics. It is chaired by Sir Michael Lyons, with Dame Kate Barker as Deputy Chair. On 13 February 2025, the Taskforce published an interim update setting out the key characteristics that will define this new generation of new towns. These are that they would be vision led, higher density, and well-connected and would involve: long-term stewardship; community engagement; business creation, growth, and employment opportunities; healthy, safe, and balanced communities; social infrastructure and environmental communities.²¹
18. As with the Government statement cited above, these attributes set a high bar for exemplar communities. We will be keen to evaluate the Taskforce’s final report when it is published, and the Government’s response to it, to assess whether these qualities remain at the forefront of Government thinking about the new towns and proposals for their development.
19. The Taskforce’s interim update announced that it had received over 100 responses to its call for potential sites, mostly in London, the south east, the south west, and the east of England, and that the majority of these would be urban extensions. The Chancellor of the Exchequer had already revealed in January 2025²² that 18 of those proposals were for new towns along the soon-to-be reopened Oxford to Cambridge railway line²³—commonly referred to as the Oxford-Cambridge arc.
20. The Taskforce committed to submitting its final report to ministers by summer 2025. In his evidence to the Committee on 17 July 2025, the Minister for Housing and Planning, Matthew Pennycook MP, stated that the “final report will be handed to the Department this summer, and the Government

19 “In partnership with local leaders and communities, a Labour government will build a new generation of new towns, inspired by the proud legacy of the 1945 Labour government.” Labour Party, *Change: Labour Party Manifesto*, (13 June 2024), page 38

20 Ministry of Housing, Communities & Local Government (MHCLG), *Policy papers, Policy statement on new towns*, (31 July 2024)

21 MHCLG, *Policy paper, Building new towns for the future*, and MHCLG, *New Towns Task Force, Building new towns for the future, Interim Update* (13 February 2025)

22 MHCLG, *Policy Paper, Building New Towns for the future*, (13 February 2025)

23 The Varsity Line between the two cities was closed in 1967 and is now being reconstructed at a cost of more than £5 billion.

will publish it alongside our response within a sensible timeframe.”²⁴ At that stage, we had no further information about when this might take place, and this report has been therefore drafted prior to publication of the Taskforce report and without knowledge of its contents.

Stop Press: Taskforce Report and Government Response

21. Hours before this report was due to go to press, the Government released the Taskforce’s report and its response.²⁵ We were impressed by the rigour and depth of the Taskforce report and pleased to see how closely it aligns with our own recommendations in many key areas. The new Secretary of State, Rt Hon Steve Reed MP, is clearly committed to building more housing as quickly and efficiently as possible. **We hope that the Government will now drive this agenda forward and deliver this programme in a way that takes full account of the recommendations in this report.**
22. Our role in this inquiry has been to investigate what the Government and the Taskforce should do (or should have done) to get the programme up and running and to make it a success. It may be that the Taskforce pre-emptively agrees with many or all of our conclusions, but that does not alter our fundamentally different roles; nor does it alter the fact that our perspective is fundamentally different to that of the Taskforce.

This inquiry

23. This report marks the completion of the first module in this long inquiry. In this module, we have investigated the fundamental elements necessary for the delivery of new towns: legal, regulatory, and planning frameworks; finance and funding; delivery mechanisms and governance structures; and community engagement. For this inquiry, we chose not to speculate about the specific locations that the New Towns Taskforce might select and we will examine with interest the extent to which the locations selected follow the principles that we have concluded from the evidence.
24. We launched this module with the publication of our call for evidence on 19 March 2025 and began taking oral evidence a month later. We held eleven public evidence sessions and received a total of 88 pieces of written evidence from a wide range of stakeholders with diverse perspectives and experiences. A delegation from the Committee also visited Copenhagen to understand that city’s experiences with its development of two substantial new towns and the lessons they have learned about building such new towns as urban extensions.²⁶ We are enormously grateful to all who made us so welcome and taught us so much during our visit.
25. For this inquiry, we appointed a Specialist Adviser: Kelvin MacDonald, Senior Departmental Fellow at the Department of Land Economy, Cambridge. We are grateful to him for his advice and expertise throughout the inquiry, as well as for his contributions to this report.

Our report

26. The evidence we received showed overwhelming support for this programme of new and expanded towns and, from this evidence, several key themes have

24 Q 138 (Minister of State for Housing and Planning)

25 Ministry of Housing, Communities and Local Government, *Independent report, New Towns Taskforce: Report to the Government*, (28 September 2025)

26 Appendix 4: Copenhagen Visit

emerged, which we view as the essential foundation blocks for successful new towns. It is worth noting that, while not identical, they echo the core attributes of the post-war new towns that we list in paragraph 9 above. These themes are:

- Government leadership and championing;
- a strong vision—both for individual new towns and the programme as a whole;
- long-term strategic thinking;
- meaningful community engagement;
- human-focused design;
- effective place making;
- physical and social infrastructure that anticipates and keeps pace with development and is driven by community need; and
- a mix of types, sizes, and tenures of homes and workplaces that meet the diverse needs of contemporary and future communities and that can act as exemplars for subsequent developments.

Additionally, we have investigated in some depth key issues such as the importance of private investment and the challenges around skills shortages. All of these are covered in this report, though some will be investigated much more fully in subsequent modules.

27. In this report, we look first at the underlying vision and purpose for this generation of new towns in Chapter 2, before exploring how to create a sense of place in Chapter 3. Chapter 4 deals with governance, both of individual towns and of the programme as a whole. Finally, Chapter 5 examines how these new towns might be financed and paid for in the context of a very much more challenging fiscal environment to that of the immediate post-war period.
28. We have received and heard a large volume of evidence from a wide range of perspectives. Any reference to “the evidence” in this report should be understood to refer to the oral and written evidence we have received in the course of this inquiry. As with any inquiry of this length and depth, there is an almost infinite number of recommendations we could make. Given the modular nature of this inquiry, and the need to keep our focus narrow and our report concise, we have done our utmost to keep these to the absolute minimum. We have therefore restricted our conclusions and recommendations to those that the evidence suggests are most critical to the success of the programme.
29. **This latest attempt to create a new generation of new towns is an opportunity to get it right this time: to get these new towns built and to enable them to thrive. It is an opportunity to build genuinely affordable, high-quality homes and to create communities in which people want to live. Our attitudes to the concept of new towns have grown and evolved over the course of this inquiry; each member of this Committee, regardless of party affiliation and background, is united in their desire to do all they can to ensure the programme’s success and, as a critical friend, to support the Government in defining and delivering the programme.**

CHAPTER 2: VISION AND PURPOSE

30. The original post-war New Towns (from 1946) had a clear vision: to build a new post-war society, with new forms of mixed communities producing “a new type of citizen, a healthy, self-respecting, dignified person, with a sense of beauty, culture and civic pride.”²⁷ There was “a consensus post war that new towns were about creating new lives for people and transforming people’s lives, health and opportunity”.²⁸ This vision had clear links to the philosophy behind the Edwardian and interwar Garden Cities,²⁹ such as Letchworth and Welwyn Garden City. These new forms of community were intended to serve as exemplars for post-war social reconstruction.³⁰
31. Hundreds of thousands of homes had been lost during the Second World War, and many people were still living in slum conditions in towns and cities across the United Kingdom, particularly in London. This initial wave of new towns was a key component of the country’s reconstruction following the destruction of the Blitz. An important ancillary purpose driving the choice of locations for the towns was the need to house the workers required to support the Government’s industrial strategy. This meant the creation of new communities for workers in key locations—such as Corby for its steelworks, Newton Aycliffe for its mines, and Crawley for Gatwick Airport.

A 21st Century vision

32. We find ourselves in a very different world from that in which the original vision was promulgated in 1946 and such a vision would be out of step with the tenor of contemporary politics and society. This does not, however, preclude calls for a “renewed New Towns movement, underpinned by a galvanising vision”.³¹ There was widespread agreement in both written submissions and oral evidence of the need for a “clear vision and long-term political consensus about the value of new towns”.³²
33. Witnesses cited a previous attempt to establish a new towns programme—the Eco-towns initiative launched in 2007³³—as an example of the level of vision and degree of ambition necessary. It “had a clear message”³⁴ and was guided by “high-level objectives set out in a Planning Policy Statement”.³⁵
34. In her foreword to the Eco-towns Prospectus, the then Secretary of State for Communities and Local Government, Rt Hon Yvette Cooper MP, recognised the vision and ambition behind the post-war New Towns programme and the need to be equally clear with the Eco-towns initiative. The prospectus set out the vision to achieve “zero carbon and more sustainable living using the best new design architecture”, with each new settlement acting as “an exemplar of at least one area of environment technology”.³⁶ These aims and ambitions were expanded in considerable detail in the Eco-towns Planning

27 HC Deb, 8 May 1946, vol 422, [cols 1072–184](#)

28 [Q 129](#) (Hugh Ellis)

29 Sir Ebenezer Howard, *Garden Cities of To-Morrow*, 2nd ed, (London, Swan Sonnenschein & Co, 1902)

30 HL Deb 11 July 1946 vol 142, [col 343](#)

31 Written evidence from LDA Design ([NTP0063](#))

32 Written evidence from Meg Hennessy and Liz Williams ([NTP0065](#)) and [Q 41](#) (Elizabeth Bundred-Woodward)

33 See para 8

34 [Q 43](#) (Elizabeth Bundred-Woodward)

35 Written evidence from TCPA ([NTP0037](#))

36 Department for Communities and Local Government, *Eco-towns Prospectus*, (July 2007)

Policy Statement published in July 2009.³⁷ We recognise that the Eco-towns programme was subsumed by a string of external shocks in the years following its announcement—not least the 2007-9 global financial crisis and the change of government following the May 2010 General Election—which resulted in only one of the towns ever being built. This does not, however, detract from the exemplary framing and articulation of the vision that underpinned the programme from the start.

35. By contrast, we were told that “the one glaring error at the moment is that there is no such vision of what [this next generation of new] towns [is] meant to achieve.”³⁸ This means that “the public understanding of new towns and the public perception of new towns is ... mixed [and] ... there is a lot more that we could be doing to raise the profile and talk about the positive dimensions of new towns.”³⁹ Witnesses said that the lack of a clear story could make it difficult for the Government to bring people on board,⁴⁰ and the lack of a clear understanding of the problem that the new towns are intended to solve meant that “potentially they could run into problems”.⁴¹
36. Some argued that this lack of vision was symptomatic of a wider problem affecting the planning system as a whole: “the narrative is sometimes not clear”, meaning that “the community and members of the public ... do not understand why they need to build houses in an area that they think is already full”.⁴² We were told that the new towns programme needs, therefore, to be situated within a wider vision for a national planning strategy that provides a “common and understood narrative that is behind what we are trying to do and why we are trying to do it”.⁴³
37. In his oral evidence to the Committee, Matthew Pennycook MP, Minister of State for Housing and Planning, denied that there was any lack of vision, asserting that the New Town’s Taskforce had set this out clearly in its policy paper on 13 February 2025 (the interim update). The interim update, however, while explicitly citing “Vision” as one of its principal learnings from its review of previous new towns programmes⁴⁴, situates this vision at the level of the individual new town, rather than at the level of the programme as a whole.
38. Nonetheless, the interim update does define five “high-level aims” for the programme:
 - “unlock potential economic growth”;
 - “accelerate housing delivery”;
 - “provide housing for strong communities”;
 - “create environmentally resilient places”; and

37 Department for Communities and Local Government, *Planning Policy Statement: eco-towns A supplement to Planning Policy Statement 1*, July 2009

38 [Q 129](#) (Hugh Ellis); see also Neil Blackshaw MRTPI ([NTP0051](#))

39 [Q 41](#) (Prof John Sturzaker)

40 [Q 41](#) (Elizabeth Bundred-Woodward)

41 [Q 17](#) (Dr Maya Singer Hobbs); see also [Q 129](#) (Hugh Ellis)

42 [Q 91](#) (Steve Quartermain)

43 *Ibid*

44 MHCLG, *Building new towns for the future, Interim update on the new towns programme*, 13 February 2025 at p 6

- “contribute to transforming the way that large settlements are delivered”.⁴⁵

Despite some changes of language and emphasis, it is possible to discern in these aims a clear continuation of the aims and ambitions of the earlier Eco-towns initiative that our contributors and witnesses valued so highly. It is possible that technocratic language is obscuring a vision no less ambitious than that of this programme’s predecessors.

39. It might also be argued that Government’s relative silence about the programme since launching the New Towns Taskforce has created a vacuum, which has been filled by this perception of a lack of vision. By delegating the process of selecting the locations for the first round of new towns to such an independent and impartial body, and by respecting its autonomy and the need for it to operate with a high degree of confidentiality because of the implications for the market, the Government could be seen as having relinquished its ability to set a clear and inspiring vision for the programme at this critical stage for driving public and industry support. This has also meant that the Taskforce has been required to proceed with site selection in the absence of a clearly and publicly articulated vision setting the parameters for its choices, compounding the difficulty in subsequently tying the various sites together with a single coherent narrative.
40. **We agree with the Minister that there is a vision for the new towns programme. However, we feel that the Government has not sufficiently communicated this vision since launching the Taskforce, and that the language used to date described a somewhat technocratic and utilitarian vision that is yet to fully resonate with the general public or the built environment sector. By choosing to delegate responsibility for setting a vision for both the programme as a whole and for individual projects to the New Towns Taskforce, the Government has further compounded the problems of communication and public support and has distanced itself from much needed accountability. In our view the concurrent site selection and vision setting process has put the cart before the horse in terms of effective policymaking.**
41. *The success of the programme will require sustained support and consent from all sections of society for decades to come. That support is not yet widespread. The Government must therefore craft a clear and compelling vision for the programme as a matter of urgency and take all possible steps to disseminate this vision as widely and frequently as possible.*

Purpose

42. The lack of a clear and inspirational vision has led to confusion about the purpose(s) that the new towns are intended to serve. Initial messaging from the Government closely linked the programme to its housing targets, explicitly including its target of building 1.5 million new homes by the end of the current parliament.⁴⁶ The policy statement launching the programme on 31 July 2025, and the subsequent interim update also aligned the programme

45 MHCLG, *Building new towns for the future, Interim update on the new towns programme*, p 5

46 MHCLG, *Policy statement on new towns*, 31 July 2024

with economic growth and the Government's incipient industrial strategy and national infrastructure plans.⁴⁷

43. In his evidence, the Minister acknowledged that because “many of these new towns will not start building out in this Parliament—certainly not at any scale ... [it is] the Government's position that the contribution that new towns make to housing demand and housing needs should be over and above [local housing need]” and, by extension, should not be seen as contributing directly to the 1.5 million homes target:⁴⁸ “if [these locations] start in this Parliament, they will probably make small contributions in the final year rather than adding huge numbers to our targets in this Parliament”.⁴⁹
44. Our witnesses did not disagree with the desirability of using the new towns to support economic growth and contribute to housebuilding. However, in the words of Ike Ijeh, Head of Housing, Architecture & Urban Space at Policy Exchange, the idea that “you will drive this agenda by simply saying, ‘We want to build as many homes as possible to contribute to GDP’ is definitely the wrong place to start.”⁵⁰ He added: “we know from history that there is a potential sometimes for housing to be seen just as a delivery of units. Housing is not units; it is homes”.⁵¹ Hugh Ellis, Director of Policy at the Town and Country Planning Association, said that this focus “leaves most of the population pretty cold because it does not create a vision of a human experience”.⁵²
45. We must also be mindful of the risks inherent in using new towns to support industrial strategy and current industrial imperatives. While the Attlee Government had the foresight to designate some of the new towns specifically to address the decline of the old industries and provide the space and a workforce for more modern industries, it is notable that among the new towns now seen as least successful were those constructed for narrow industrial purposes: for example, Corby to provide housing for the steel industry and Newton Aycliffe for the coal mines.
46. With economic growth and industrial strategy once again cited as among the aims of the current programme, it seems likely that many of these new settlements will be built in the south east, in particular in the Oxford-Cambridge arc, to support the technology and research and development sectors around our major universities. In addition to the risks associated with future technological change, and the potential for significant reorganisations of our economy, industries and workforce due to external factors such as the rapid ongoing transformation of the global economic landscape, concentrating this wave of new towns in areas that are already thriving economically has the potential to increase economic inequalities between the regions, and between city and countryside.
47. **If economic growth and support for industrial strategy are to be the key purposes of this new programme, this must result in more than simply building houses where there are currently jobs. The benefits of the programme must be dispersed as widely as possible across the**

47 *Ibid*

48 [Q 139](#) (Minister of State for Housing and Planning, Communities and Local Government)

49 *Ibid*

50 [Q 21](#) (Ike Ijeh); see also [Q 136](#) (Tom Chance)

51 [Q 21](#) (Ike Ijeh)

52 [Q 135](#) (Hugh Ellis)

country with the aim of driving development and growth in areas that are currently struggling economically to the same extent as supporting industries and local economies that are currently thriving.

48. *The Government must retake control of the narrative and articulate a clear and ambitious vision that seeks to transform people's lives, health, and opportunities. A key element of this must be to inspire developers and planning authorities to use the new towns as exemplars for future development.*

Devolution

49. A further complication in terms of both the vision and the purpose of the programme, and the individual new towns and expanded settlements is the fact that, on 10 July 2025, the Government followed up its English Devolution White Paper⁵³, published on 16 December 2024, with the introduction of the English Devolution and Community Empowerment Bill⁵⁴ in the House of Commons. One of the major reforms proposed in the Bill, as currently drafted, is the devolution of a raft of planning powers to strategic authorities, which will form a standardised tier of government at the regional level, including mayoral authorities and combined county authorities.⁵⁵
50. Among these powers will be the ability to create spatial development strategies⁵⁶ and to call in planning applications of strategic importance.⁵⁷ The devolution of these powers has the potential to lead to competing visions of housing development, both between different strategic authorities, and between strategic authorities and the Government. This may pose further challenges to the Government's ability to articulate and maintain a coherent vision for the programme as a whole as devolution takes effect.
51. **We see considerable potential for strategic authorities across England to play a critical role in supporting and delivering the new towns programme and its overarching vision. In achieving this, the aims and ambitions of different layers of government will need careful coordination, both in the creation of these new regional structures and in the Government's ongoing relationship with them once established.**
52. *We recognise the critical role that the proposed strategic authorities will play in moulding and sculpting the Government's vision to suit their individual needs and circumstances. However, for the new towns programme to fulfil its potential, it must be led and funded from the centre. The vision must therefore be articulated and delivered by Ministers, in consultation with Parliament, in unambiguous terms that enable all strategic authorities to understand the overarching vision and purpose for the towns they deliver in their region.*

53 Ministry of Housing, Communities and Local Government, *Policy paper, English Devolution White Paper*, (16 December 2024)

54 [English Devolution and Community Empowerment Bill](#) [Bill 283 (2024–26)]

55 [English Devolution and Community Empowerment Bill](#), part I

56 [English Devolution and Community Empowerment Bill](#), clause 32 and Schedule 12

57 [English Devolution and Community Empowerment Bill](#), clause 31 and Schedule 11

CHAPTER 3: GENIUS LOCI

A sense of place

53. The successful development of new towns and major urban expansions will require the creation of a new sense of place (*genius loci*) for these new communities, connecting to the visions for individual projects discussed in Chapter 2.
54. Throughout the inquiry, we saw the optimism that this new generation of new towns inspired: our witnesses and contributors viewed these new towns as an opportunity to consider how future communities will want to live.⁵⁸ They saw this programme as a chance to get things right by creating exemplary developments that took a thoughtful and considered approach to the needs of residents and had a distinct character, rather than simply building houses.⁵⁹
55. In this regard, we heard widespread criticism of some of the current practices of volume housebuilders and of recent major developments, with witnesses raising concerns about a lack of social infrastructure, and poor design choices.⁶⁰ David Lunts, Chief Executive of the Old Oak and Park Royal Development Corporation, urged the Government not just to “roll over and let the volume builders do what they have been doing for the last decade or two”⁶¹ and asserted that “we are happy—well, not happy, but certainly content—to turn away substandard development”.⁶² Various witnesses pressed the Government to be “future facing”,⁶³ to lean into innovation and aspiration, to prioritise climate change and nature-centred design,⁶⁴ and to explore opportunities to adopt modern methods of construction.⁶⁵
56. **New and expanded towns offer a unique opportunity for the built environment sector to create new aspirational communities, that avoid the criticisms levelled at volume housebuilders. There is ambition and drive across the built environment sector to design and deliver innovative new communities. This must be embraced, with developers of all sizes encouraged to create exemplary new developments.**

Masterplanning

57. Masterplanning is the process of creating a strategic, high-level plan that sets out the vision, structure, and guiding principles for the long-term development of a site, area, or project. We were told that “it is almost impossible to exaggerate the importance” of effective, holistic masterplanning⁶⁶ to the delivery of high-quality new towns.⁶⁷ A masterplan is not just a “blueprint

58 [Q 21](#) (Millie Mitchell), [Q 7](#) (Tony Travers), [Q 93](#) (Kathryn Firth) and [Q 102](#) (Katja Stille)

59 Written evidence from the TCPA ([NTP0037](#))

60 See for example [Q 39](#) (David Lunts), [Q 44](#) (Elizabeth Bundred-Woodward), [Q 66](#) (Dr Edward Shepherd) and written evidence from Prof Doug Clelland and Dr Nigel Moor ([NTP0007](#))

61 [Q 39](#) (David Lunts)

62 [Q 33](#) (David Lunts)

63 [Q 102](#) (Katja Stille)

64 See for example written evidence from Mae Architects ([NTP0009](#)), The Housing Forum ([NTP0026](#)) and BUUK Infrastructure ([NTP0056](#))

65 Written evidence from The Nichols Group ([NTP0014](#)) The Chartered Institute of Building ([NTP0068](#))

66 [Q 37](#) (David Lunts);

67 Written evidence from the TCPA ([NTP0037](#)) and RTPI ([NTP0061](#))

but a framework for change” that must “establish a physical and spatial vision—one that can be embraced by the community, by developers, and by investors”.⁶⁸ Beyond setting a vision, effective masterplanning can support economic viability by creating certainty over the location of homes and infrastructure,⁶⁹ and reduce the risks inherent in the complicated process of putting together planning applications.⁷⁰

58. Witnesses highlighted the importance of developing infrastructure at the earliest stages of delivery as a means of building “the community from the ground up”.⁷¹ Paul Richards, Chief Executive of the Stockport Mayoral Development Corporation, explained that early infrastructure delivery supports local confidence in the scheme and encourages the first inhabitants to move in.⁷² The Committee saw this demonstrated at the Ørestad urban extension in Copenhagen: the governance and delivery organisation By & Havn initially built a metro line into what was then undeveloped land, previously used as a military firing range, which has formed the backbone of a new community.⁷³ It was also a clear demonstration of the Government’s commitment to the project.⁷⁴ While an infrastructure-first approach requires the Government to take on an element of risk, contributors stressed that it was fundamental to successful delivery.⁷⁵
59. Alongside ‘hard infrastructure’ (such as for transport and utilities), witnesses emphasised the key role of social and community infrastructure in delivering social value and cultivating urban vibrancy.⁷⁶ They criticised contemporary large developments for neglecting the provision of social infrastructure, especially in comparison to post-war new towns where this had been prioritised.⁷⁷ Moreover, we heard arguments that the provision of social infrastructure supports long-term economic viability and the wellbeing of new communities, encouraging people to live and work in developments. It must therefore be a priority in early masterplanning.⁷⁸
60. **Early infrastructure development plans for, and puts in place for the future, essential services—schools, shops, green spaces, and health services—without which communities cannot develop to their full potential.**
61. In Copenhagen, we heard that one of the key lessons learnt from the development of Ørestad was the importance of building diverse plot sizes into masterplans to encourage human-scale development and a more aesthetically interesting urban environment.⁷⁹ Human-scale development involves creating spaces that are tailored to people, not cars, focusing on walkability, mixed-use development, and accessible public realm, typically with the inclusion of smaller, low-rise buildings. This lesson was being applied to its more recent development of Nordhavn, where key retail, social

68 [Q 93](#) (Katja Stille)

69 Written evidence from the TCPA ([NTP0037](#))

70 Written evidence Maurice Lange ([NTP0011](#))

71 [Q 45](#) (Professor John Sturzaker)

72 [Q 34](#) (Paul Richards)

73 See paras 101 and 149 for further discussion of this element of the Copenhagen model.

74 Appendix 4: Copenhagen Visit

75 [Q 20](#) (Ike Ijeh)

76 Written evidence from Social Life ([NTP0070](#)) and Dr Federico Botta ([NTP0052](#))

77 See for example [Q37](#) (David Lunts), [Q 39](#) (David Lunts), [Q 21](#) (Ike Ijeh)

78 [Q 93](#) (Kathryn Firth), see also written evidence from Mr Bryan Rylands ([NTP0006](#))

79 Appendix 4: Copenhagen Visit

and transport infrastructure is built into each neighbourhood from inception in a planned and coordinated way, with the aim of creating a so-called “five-minute city”⁸⁰ where all of the basic necessities of daily life are no more than five minutes’ walk away from any dwelling.

62. The evidence we received supported this kind of approach, and witnesses also highlighted how smaller plot sizes would reduce the upfront financial resources needed for development, supporting an “even playing field for SMEs”⁸¹ and the development of specialist housing, such as homes for the elderly.⁸²
63. **The inclusion of plots of differing sizes in masterplans offers opportunities for SME developers to participate effectively in the delivery of new towns. It also encourages human-scale development, avoiding homogeneity.**
64. The evidence stressed the need for the masterplans for this next generation of new towns to be dynamic and open to change, responding both to the evolving needs of their growing communities and to external market forces over time.⁸³ To accommodate such uncertainty, a phased masterplan process was proposed, delivering developments in stages.⁸⁴ In Copenhagen, we saw this approach being implemented in Nordhavn, which is being brought forward in phases, each of which approximates to a small neighbourhood in its own right, while contributing to the development of the wider settlement. This had the added benefit of allowing the programme to be paused without jeopardising the creation of distinct, cohesive new communities.⁸⁵ In both Ørestad and Nordhavn, By & Havn has built in periodic reviews at least every five years to assess population and employment statistics and respond to previously unforeseen community need.⁸⁶ Review periods of five years were also proposed by Anne Ogundiya, Director of Masterplanning at Beyond the Red Line, so that “you can test to see what is happening on the ground”.⁸⁷
65. **Phased masterplans, coupled with structured periodic reviews, provide flexibility to accommodate changing circumstances and would ensure that the new towns remain financially viable, maintaining investor confidence.**
66. *The Government should pursue an infrastructure first approach to delivery, prioritising social, physical, and environmental infrastructure at the earliest stages of development.*
67. *Masterplans for new and expanded towns must incorporate diverse plot sizes.*
68. *Masterplans must be implemented in phases and be reviewed every five years with oversight from the planning agency for new and*

80 See for example Creative Denmark, [Nordhavn’s 5-Minute City Transformation: A Sustainable Urban Model](#), 2 April 2024.

81 [Q 69](#) (Caroline Foster)

82 [Q 96](#) (Katja Stille)

83 See for example [Q 93](#) (Kathryn Firth), [Q 96](#) (Anne Ogundiya), [Q 104](#) (Anne Ogundiya) and [Q 133](#) (Paul Thomas)

84 [Q 96](#) (Anne Ogundiya)

85 Appendix 4: Copenhagen Visit

86 *Ibid.*

87 [Q 97](#) (Anne Ogundiya)

expanded settlements, the establishment of which is recommended in Chapter 4.

Design codes

69. If the Government’s ambition for the new towns to act as exemplars for future development is to be realised, then there must be some means of assuring their quality. To this end, some witnesses recommended the adoption of mandatory design standards.⁸⁸ The Government publishes the National Design Guide and the National Model Design Code, but these are not mandatory, and they are therefore not uniformly implemented.
70. We heard that one advantage of mandatory design standards over the current advisory design guidance was that it would demonstrate the Government’s commitment to ensuring high-quality design across the new towns.⁸⁹ We were told that “trust [had] been eroded in lots of communities”⁹⁰ due to a perception of low quality for recent major developments, and that mandatory design standards would provide a degree of reassurance that would help to restore that trust.⁹¹
71. Others, however, cautioned that, while guidance could “set principles about the quality of the design, we cannot and should not dictate the style of it”.⁹² In addition, although a level of strategic oversight is important to ensure the overall quality of the programme, the Government was urged to avoid a one-size-fits-all approach: individual projects should have the freedom to develop their own design standards that respond sensitively to the local vernacular.⁹³ Instead, guidance on design standards should set minimum expectations around, for example, access to green space, public transport, and build quality.⁹⁴
72. In Copenhagen, we met representatives from the Danish Ministry of Culture to discuss the country’s architectural policy.⁹⁵ The Ministry has developed eight core principles to guide national architectural policy, including prioritising care and beauty, creating space for nature, and cultivating local values and cultural heritage.⁹⁶ The Ministry has also crafted 24 further recommendations for the built environment sector to guide exemplary developments.⁹⁷ Although these are not mandatory, we heard that they have been successful in guiding positive contemporary development.
73. **We agree that mandatory design standards are necessary for assuring quality across the entirety of the Government’s new towns programme, encouraging community confidence, and ensuring that exemplary developments are delivered. These must not, however, be unduly prescriptive and must be sufficiently flexible to adapt to local circumstances.**

88 See for example [Q 25](#) (Ike Ijeh), [Q 44](#) (Elizabeth Bundred-Woodward) and [Q102](#) (Anne Ogundiya, Katja Stille)

89 [Q 44](#) (Elizabeth Bundred-Woodward)

90 *Ibid*

91 *Ibid*

92 [Q 103](#) (Katja Stille)

93 See for example [Q 25](#) (Ike Ijeh), [Q 44](#) (Prof John Sturzaker), [Q 103](#) (Katja Stille) and written evidence from the TCPA ([NTP0037](#))

94 [Q 44](#) (Prof John Sturzaker)

95 Appendix 4: Copenhagen Visit

96 Kulturministeriet, [Ekspertgruppe afleverer hvidbog til fremtidens arkitektur](#), March 2025, p 11

97 Kulturministeriet, [Ekspertgruppe afleverer anbefalinger til fremtidens arkitektur](#), p 7

74. *The Government should set high-level design standards for the entire programme, to be overseen by the centralised planning agency for new and expanded towns we recommend establishing in Chapter 4. These should be supplemented by locally sensitive design standards for each individual new town.*

Community engagement

75. As we note in our Introduction,⁹⁸ the evidence showed extensive support for the programme. Indeed, there was a widespread recognition that the delivery of new towns was in the national interest and that public opposition should, therefore, not be allowed to prevent development.⁹⁹ This sentiment was endorsed by Matthew Pennycook MP, Minister of State for Housing and Planning, who stated that “local opposition that says, ‘We don’t want it here’, cannot be the test”,¹⁰⁰ and that new towns are “in the national interest”.¹⁰¹ Witnesses agreed that, when push comes to shove, new towns must be brought forward, even in the face of local opposition, but at the same time, there must be a concentrated, meaningful exercise in community engagement and resident consultation.¹⁰²
76. However, we were warned of a risk of significant public opposition unless the Government took steps to build “a national consensus and [put] in place a clear process of meaningful community participation prior to designation”.¹⁰³ We were advised that public opposition could lead to delays,¹⁰⁴ and risked becoming “a matter of both high and low politics ... if it is handled badly”.¹⁰⁵ Early engagement was especially a priority during the conception of schemes and the establishment of delivery bodies,¹⁰⁶ in order to cultivate trust within the community and develop proposals.
77. In this regard, witnesses highlighted the value of co-production and co-design, encouraging the creation of community review panels to develop schemes from the bottom up, even though the ultimate decision-making processes might be top-down.¹⁰⁷ This was particularly appropriate in the case of factors such as local design standards (as discussed above): witnesses suggested that review panels would allow these standards to be developed in conjunction with local residents.¹⁰⁸
78. For the Government, Lise-Anne Boissiere, Co-Director for New Towns, Infrastructure and Housing Delivery at MHCLG, recognised that community engagement was one of the key place-making principles, and stressed that the New Towns Taskforce had already engaged with residents.¹⁰⁹

98 Para 25

99 [Q 26](#) (Ike Ijeh), [Q 26](#) (Millie Mitchell), [Q 26](#) (Dr Maya Singer Hobbs), [Q 56](#) (Professor John Sturzaker) and [Q 56](#) (Kane Emerson)

100 [Q 144](#) (Minister of State for Housing and Planning)

101 *Ibid*

102 [Q 26](#) (Ike Ijeh) and [Q 56](#) (Elizabeth Bundred-Woodward)

103 Written evidence from the TCPA ([NTP0037](#)); The Community Planning Alliance ([NTP0002](#)), The Nichols Group ([NTP0014](#)), [Q 48](#) (Professor John Sturzaker) and [Q 51](#) (Kane Emerson)

104 Written evidence from Quod ([NTP0071](#)) and Dr Nick Green ([NTP0057](#))

105 [Q 8](#) (Professor Tony Travers)

106 [Q 8](#) (Dr Susan Priest) and [Q 45](#) (Elizabeth Bundred-Woodward)

107 See for example written evidence from the Royal Town Planning Institute ([NTP0061](#)), Social Life ([NTP0070](#)), Dr Amira Elnokaly ([NTP0078](#)), Natural England ([NTP0044](#)) and Milton Keynes City Council ([NTP0017](#))

108 [Q 20](#) (Millie Mitchell), [Q 24](#) (Ike Ijeh) and [Q 102](#) (Anne Ogundiya)

109 [Q 144](#) (Lise-Anne Boissiere)

79. **New towns and expanded settlements have the potential to prompt huge public opposition to both the programme and to individual projects, which risks delaying development or even preventing it from going ahead altogether.**
80. *Before announcing the selected sites, the Government must set out a framework for meaningful community engagement and consultation for both the programme as a whole and for each individual project.*

Location selection

81. As we state in our Introduction,¹¹⁰ we cannot speculate on specific locations for new and expanded settlements. And, indeed, there was no clear consensus in the evidence about which locations should be selected. Many believed that priority should be given to areas with significant unmet housing demand, where sites would be more economically viable,¹¹¹ primarily in the south of the country. Others, however, argued that such a strategy would only serve to reinforce existing spatial inequalities and further neglect regional centres.¹¹²
82. We note that the New Towns Taskforce did not publish its selection criteria prior to commencing its selection process and thus did not open these criteria to scrutiny and discussion. The evidence emphasised that locations must be selected by a “rigorously applied and systematic assessment criteria” to ensure the process “rests on a robust justification”¹¹³ so as not to erode public trust. We understand the commercial sensitivities surrounding any premature announcement of the selection criteria, but we heard that this opacity has further damaged the public’s trust in the planning system and led to widespread speculation.¹¹⁴
83. **The Government established and launched the New Towns Taskforce without first engaging with the public to communicate both its vision for the programme and the parameters for the Taskforce’s work. By taking this approach, the Government has risked eroding trust in the programme and in its wider planning and development ambitions.**

Strategic planning

84. While Scotland, Wales, and North Ireland each have a national spatial framework to guide large-scale planning decisions, no such framework exists for England. Such a framework would establish a high-level strategic vision to guide the long-term prioritisation of land-use, infrastructure, and development. We were told that an English national spatial framework would assist in coordinating the Government’s wider ambitions and set a transparent strategic vision for the country.¹¹⁵ We heard that, if a framework had been in place before the Taskforce started work, this would have provided the justification for the process of site selection, “setting a wider context for decisions ... thereby providing confidence for investment”.¹¹⁶ Furthermore,

110 Para 24

111 Written evidence from Places for People ([NTP0027](#)), Centre for Cities ([NTP0011](#)) and [Q 85](#) (Maurice Lange)

112 [Q 85](#) (Vincent Goodstadt)

113 Written evidence from the TCPA ([NTP0037](#))

114 *Ibid*

115 See for example [Q 90](#) (Maurice Lange), [Q 90](#) (Steve Quartermain), written evidence from TCPA ([NTP0037](#)), Royal Society for the Protection of Birds ([NTP0035](#)) and Royal Town Planning Institute ([NTP0061](#))

116 [Q 90](#) (Vincent Goodstadt)

the presence of a national spatial framework would support and enable local and strategic authorities to actively engage in the designation process at a strategic level.¹¹⁷

85. **A national spatial strategy would have provided a clear framework for selecting the locations of the new and expanded towns, giving clearer legitimacy and transparency to the Taskforce’s selection. This would have connected location selection with the Government’s wider ambitions, better aligning the programme with the Government’s other missions and strategies. While it is too late for such a strategy to impact the current programme of new towns, it remains a necessity for future phases of the programme, and for development more widely.**
86. *The Government must introduce a national spatial strategy as quickly as possible to demonstrate its commitment to its future development ambitions.*

Planning skills

87. A lack of planning capacity is a long-running problem for the built environment sector. This has been recognised by the Government with its provision of £46 million to increase capacity by employing 300 more planners across England,¹¹⁸ and is something we discussed in our recent inquiry into the Grey Belt.¹¹⁹ While many contributors were grateful that the Government had recognised these skills gaps, they told us that around 2,200 planning officers were needed across England and Wales,¹²⁰ significantly more than the 300 that the Government has promised.¹²¹ These skills shortages in the planning sector, coupled with an explicit Government demand for increased housebuilding, was creating a “perfect storm for capacity”,¹²² risking the delivery of the new towns programme.¹²³ We heard particular concerns about the loss of masterplanning skills from the public sector, with many believing that the necessary knowledge and expertise to deliver successful new towns no longer existed within local authorities.¹²⁴
88. There was particular concern about the Government’s decision to abolish level 7 apprenticeships (equivalent to master’s level) for those older than 21. Robert Calvert, Head of Policy and Public Affairs at the Royal Town Planning Institute, told us that this decision “could be turning the tap off for approximately 200 planners a year”¹²⁵ who are on RTPI accredited masters planning degrees using the apprenticeship route. This raises obvious questions about the viability of the Government’s commitment to appointing 300 new planners.¹²⁶

117 Written evidence from the TCPA ([NTP0037](#))

118 HC Deb, 20 January 2025, [col 709](#)

119 Correspondence, *Chair of Built Environment Committee to the Deputy Prime Minister and Secretary of State for Housing, Communities and Local Government*, 5 February 2025

120 Written evidence from the Royal Town Planning Institute ([NTP0061](#)) and Home Builders Federation ([NTP0058](#))

121 Written evidence from the Royal Town Planning Institute ([NTP0061](#))

122 [Q 109](#) (Robbie Calvert)

123 See for example [Q 109](#) (Robbie Calvert), Royal Town Planning Institute ([NTP0061](#)), Home Builders Federation ([NTP0058](#)), Milton Keynes City Council ([NTP0017](#)), and Barratt Redrow ([NTP0076](#))

124 Written evidence from Centre for Cities ([NTP0011](#)) and Peabody ([NTP0025](#))

125 [Q 109](#) (Robbie Calvert)

126 See para 88

89. There is, however, an opportunity for skills and knowledge sharing between the new towns and other major development projects in the UK, which the Government should look to formally support.¹²⁷ David Lunts, CEO of the Old Oak and Park Royal Development Corporation, told us that expertise within the sector is atomised, with each organisation “doing this on [its] own ... making the same mistakes and dealing with the same questions”.¹²⁸ He advised the sector to invest in coming together to share knowledge and expertise.¹²⁹
90. Other contributors were slightly more sanguine about these skills shortages, believing that the prospect of working on the development of new towns would attract talented professionals and that the sector, as long as it was backed by the Government and adequately funded, would ultimately be able to deliver.¹³⁰ Steve Quartermain, former Chief Planner, told us that “the idea of being involved in a new town, creating places that people want to live in—this is why we go into planning in the first place ... people will rise to the challenge”.¹³¹
91. **Delivering multiple new and expanded towns alongside other major infrastructure projects offers a prime opportunity for the sharing of knowledge, experience, and expertise across the built environment sector.**
92. **Several decades of consistent underinvestment in the planning profession has led to an acute national skills shortage. This poses a critical threat to the viability of the new towns programme, even if all of our other recommendations are implemented in full. The ability to address this has been diminished by the Government’s decision to abolish level 7 apprenticeships for those over 21 years old.**
93. *The Government should use its convening power and good offices to support the establishment of a network of representatives from every new town project, alongside other major UK development schemes, to meet regularly to share knowledge and report back to the Government through the planning agency for new and expanded towns recommended in Chapter 4.*
94. *The Government should reverse its decision to abolish level 7 apprenticeships for those over 21 years old and must, at the minimum, do so for all professions related to the built and natural environments.*

127 See for example [Q 38](#) (Paul Richards), [Q 39](#) (David Lunts), [Q 5](#) (Dr Susan Priest) and [Q 9](#) (Dr Susan Priest)

128 [Q 39](#) (David Lunts)

129 *Ibid*

130 [Q 89](#) (Vincent Goodstadt, Steve Quartermain)

131 [Q 89](#) (Steve Quartermain)

CHAPTER 4: GOVERNANCE AND STEWARDSHIP

95. The delivery of each new town will be a multi-decade project¹³², requiring governance models with a long-term vision and access to ongoing support well into the future: “if you are not interested in multi-decade placemaking, do not get in the game”.¹³³ Without robust systems in place, the “original vision” risks being “lost or [could] start to unravel”.¹³⁴ This chapter examines the structures needed for effective delivery and oversight of the programme.

Development corporations

96. Development corporations are special-purpose bodies, led primarily by the public sector, to get large-scale development or regeneration jobs done. The first were established by the New Towns Act 1946 and were the principal delivery bodies for the post-war new towns. A more recent example is the London Legacy Development Corporation, established for the regeneration of the Olympic Park and surrounding area after the 2012 Olympic Games. The evidence we received showed a clear consensus in favour of using the development corporation model for the projects within this programme.¹³⁵ Their singularity of purpose and vision,¹³⁶ when coupled with oversight¹³⁷ and financial support¹³⁸ from central Government, makes them an effective mechanism for giving legitimacy to the projects, thereby derisking development and encouraging investment.¹³⁹ The Minister for Housing and Planning told us that he expected the New Towns Taskforce to recommend development corporations as the preferred delivery model for this generation of new towns.¹⁴⁰
97. There are five different extant statutory regimes providing for the establishment of development corporations. The provisions in the New Towns Act 1946 (as amended) regarding the establishment of the original new town development corporations remain in force. In addition, there are urban development corporations under the Local Government, Planning and Land Act 1980, mayoral development corporations under the Localism Act 2011, locally-led new town development corporations under the New Towns Act 1981 and the New Towns Act 1981 (Oversight Authority) Regulations 2018, and locally-led development corporations under the Levelling Up and Regeneration Act 2023.
98. The Planning and Infrastructure Bill¹⁴¹ acknowledges this range of options and continues to allow for the selection of whichever form of development corporation appears best suited to any given new town by not consolidating the relevant provisions, instead amending each relevant piece of legislation separately. The Bill allows for the designation of the site of a proposed new town to include an existing town, sites adjacent to an existing town, or separate

132 [Q 124](#) (Hugh Ellis)

133 [Q 124](#) (Hugh Ellis) and [Q 105](#) (Anne Ogundiya)

134 [Q 105](#) (Anne Ogundiya)

135 See, for example, [Q 66](#) (Dr Edward Shepherd)

136 [Q 31](#) (Paul Richards), [Q 33](#) (David Lunts), and [Q 66](#) (Dr Edward Shepherd)

137 [Q 126](#) (Hugh Ellis)

138 The Nichols Group ([NTP0014](#)) and [Q 125](#) (Paul Thomas)

139 Written evidence from TCPA ([NTP0037](#)), [Q 66](#) (Dr Edward Shepherd), and Miles Gibson and Ike Ijeh ([NTP0036](#))

140 [Q 140](#) (Minister of State for Housing and Planning)

141 [Planning and Infrastructure Bill](#), [HL Bill 110 (2024–25)]

parcels of land¹⁴² and for one development corporation to cover more than one new town.¹⁴³ It also gives development corporations new powers over infrastructure¹⁴⁴—including to acquire, hold, manage and dispose of land and other property¹⁴⁵—and powers relating to transport.¹⁴⁶

99. In addition, the Devolution and Community Empowerment Bill¹⁴⁷ extends powers already available to Mayoral Development Corporations in London to other Mayoral authorities elsewhere in England. Thus, while these two bills further strengthen the powers and capabilities of development corporations, they impose no constraints on the choice of model that can be deployed for any particular new town.

Long term stewardship

100. A fundamental consideration during the establishment of each delivery vehicle is the need for the long term stewardship of community assets. This requires the vehicle's exit strategy to be embedded within its governance structure from the outset.¹⁴⁸ This includes the need for early agreement with local authorities about the adoption of local facilities¹⁴⁹ and the establishment of a trust to manage key community assets.¹⁵⁰ In the case of many of the post-war new towns, we heard that responsibility for assets after the winding up of the development corporation had been ill-considered and poorly managed,¹⁵¹ meaning that many were unable to generate a full return on their initial investment.¹⁵²
101. In Copenhagen, we heard that the governance and delivery organisation currently developing two major urban extensions to the city, By & Havn, is 95% owned by the city, with the other 5% being owned by the Danish state. The company told us that this small central government stake encourages investor confidence and attracts patient investment. It has also allowed By & Havn to take out long-term loans at favourable interest rates. Interestingly, despite being entirely publicly owned, the company is obliged to function as a commercial enterprise on a for-profit basis. However, rather than the profits being distributed to the shareholders, they are instead invested in transport infrastructure, most notably in the Copenhagen metro.
102. **Development corporations are, in the vast majority of cases, the most appropriate delivery model for both new towns and expanded settlements. We are encouraged by the Government's stated preference for that model and welcome the additional powers for development corporations included in the Planning and Infrastructure Bill.**
103. ***Development corporations should be the default governance and delivery structure for new towns and expanded settlements and should be used in all but exceptional cases.***

142 [Planning and Infrastructure Bill](#), Clause 94(2)

143 [Planning and Infrastructure Bill](#) Clause 94(3)

144 [Planning and Infrastructure Bill](#) Clause 97

145 [Planning and Infrastructure Bill](#) (Clause 97(2))

146 [Planning and Infrastructure Bill](#) (Clause 98)

147 [English Devolution and Community Empowerment Bill](#), Schedule 17

148 [Q 37](#) (David Lunts)

149 *Ibid*

150 [Q 124](#) (Tom Chance)

151 Written evidence from the Royal Town Planning Institute ([NTP0061](#))

152 See the section of Chapter 5 dealing with Partnership and Patient Investment.

104. *The Government should retain a small but effective ownership stake in each development corporation in order to encourage investor confidence and demonstrate accountability at a national level.*

Local and regional government

105. We were told that local authorities “have the magic of electoral legitimacy”,¹⁵³ and are well placed to communicate the vision for the settlement and its benefits to the local community.¹⁵⁴ They are generally held in better regard than central government or external figures¹⁵⁵ and are therefore better placed to lead on engagement activities.¹⁵⁶ The widespread support for the development corporation model did not, therefore, come without some reservations, particularly regarding the potential for a “democratic deficit”¹⁵⁷ if they are not led by local authorities.
106. These concerns can, however, be substantially allayed¹⁵⁸ by incorporating local leadership and vision by means of the inclusion of local authority representatives in the development corporation’s management structure.¹⁵⁹ This would enable them to represent local interests and shape the long-term consequences of policy decisions for new towns.¹⁶⁰ This model was seen as preferable to the establishment of development corporations that were entirely local authority led. Such a model would impose a disproportionate level of risk and responsibility on those local authorities,¹⁶¹ particularly given their limited powers, funding streams, and freedom to act.¹⁶²
107. Regardless of the model selected, it is essential that there is alignment of values between the chosen delivery vehicle and the local authority.¹⁶³ We were told that local hostility to the delivery of the new towns would “inevitably travel through to the ballot box”,¹⁶⁴ and that councillors would be “standing in front of residents ... facing the brickbats”.¹⁶⁵ They therefore needed to be brought and kept onboard throughout delivery as enthusiastic active participants.¹⁶⁶
108. The role of local government is significantly complicated by the radical changes envisioned in the English Devolution and Community Empowerment Bill currently going through Parliament.¹⁶⁷ This has the potential to be a “huge distraction”¹⁶⁸ during the delivery of the new towns, as the programme may be implemented through both the existing local authority structures and those to be established as a result of the Bill.¹⁶⁹ Some witnesses, however, argued that devolution was ultimately a positive step, with the wider, regional

153 [Q 6](#) (Prof Tony Travers)

154 *Ibid*

155 [Q 16](#) (Prof Tony Travers) and Prof Tony Travers ([NTP0004](#))

156 [Q 2](#) (Dr Susan Priest) and [Q 15](#) (Stephen Kelly)

157 [Q 6](#) (Stephen Kelly)

158 *Ibid*

159 [Q 35](#) (Paul Richards) and [Q 125](#) (Paul Thomas)

160 Written evidence from Prof Tony Travers ([NTP0004](#))

161 [Q 126](#) (Hugh Ellis)

162 [Q 6](#) (Dr Susan Priest)

163 [Q 125](#) (Paul Thomas)

164 [Q 6](#) (Stephen Kelly)

165 *Ibid*

166 [Q 2](#) (Dr Susan Priest)

167 See Para 50 et seq

168 [Q 5](#) (Dr Susan Priest)

169 [Q 6](#) (Prof Tony Travers)

perspective of the proposed strategic authorities allowing a more holistic vision for infrastructure delivery¹⁷⁰ and better coordination of services.¹⁷¹

109. Regardless of the merits of the proposed devolved structures, we heard that the Government must be mindful of the potential impact of the imposition of multiple, overlapping policies from different levels of government on local authorities,¹⁷² and must ensure that all stakeholders maintain a consistent strategic vision in order to successfully realise its ambition for new towns.¹⁷³
110. **Development corporations benefit from local leadership when combined with central government support. Local and strategic authorities must be represented in governance structures, and central government oversight is essential.**
111. **Regardless of the delivery model, local authority stakeholders will play a critical role in the delivery of new towns and expanded settlements. It is vital that local authorities are able to engage fully with delivery and be involved in decision making at every stage.**
112. *Representatives from local authorities must be involved in the management structure of each development corporation.*

The local community

113. The formal structures of regional and local government are established with the consent, and for the benefit, of local communities. It is local communities, whether already established or as yet unknown, who will be directly impacted by the development of the new towns. Long-term community ownership and stewardship of the towns must therefore be embedded from inception¹⁷⁴ and the up-front creation of community-owned institutions is “vital”¹⁷⁵ in order for people to have access to their facilities from the start.¹⁷⁶
114. A particular concern is the management of community assets. To that end, we were told that the Government should “experiment with community land trust networks”¹⁷⁷ for the new towns, following the core principle of keeping key assets under community ownership.¹⁷⁸ Witnesses said that community land trusts would help maintain affordability throughout development,¹⁷⁹ empower local people,¹⁸⁰ and ensure consistent, meaningful engagement activities throughout delivery.¹⁸¹ The Minister did not commit to any specific model for the ownership and management of the assets of this new generation of new towns but confirmed that he had “asked the task force to consider and give us its views on stewardship and how long-term arrangements can be put in place”.¹⁸²

170 Written evidence from the Council for British Archaeology and Chartered Institute for Archaeologists (NTP0016)

171 Written evidence from Faye Sanders (NTP0024)

172 Q 5 (Dr Susan Priest)

173 Written evidence from Natural England (NTP0044)

174 See for example written evidence from Meg Hennessy and Liz Williams (NTP0065), Community Land Trust Network (NTP0038) and Q 65 (Dr Edward Shepherd)

175 Q 128 (Hugh Ellis)

176 *Ibid*

177 Q 65 (Dr Edward Shepherd)

178 *Ibid*

179 Written evidence from Mae Architects (NTP0009)

180 Written evidence from the University of Bristol and Daniel Black & Associates (NTP0008)

181 Written evidence from the Community Land Trust Network (NTP0038)

182 Q 145 (Minister of State for Housing and Planning)

115. **As with the earlier new towns and garden cities, the community must be at the heart of the governance structure and delivery model. Community assets must be protected and held for the benefit of the community.**
116. *New towns and expanded settlements should be seen as an opportunity to experiment with innovative forms of community involvement and ownership models during the establishment of their delivery vehicle. Such models should blend the effective representation of community interests with the effective management of community assets, ensuring that the benefits of those assets are returned to the community when the delivery vehicle ceases operations.*

Central government

117. As we outline above, Government oversight is critical to the success of the programme. It provides fundamental support to developer and investor confidence¹⁸³ and witnesses therefore urged the Government to provide clarity about its proposals for long-term financial and policy support for the programme.¹⁸⁴ It is also critical for managing coordination between Government departments, statutory bodies, and local authorities.¹⁸⁵ We were told that central Government is able to provide national strategic oversight¹⁸⁶ and has the ability to work across departments for the delivery of essential infrastructure.¹⁸⁷ A close relationship and clear coordination between local and central government is essential, as Susan Priest, Chief Executive of Folkestone and Hythe District Council, told us: “there is nothing more important and powerful than national government working effectively with local government for shared outcomes and objectives”.¹⁸⁸ In this regard, the Government was urged to provide a “shared clarity of purpose”¹⁸⁹ by creating a clear and coordinated approach to policymaking that aligns local, regional, and national priorities.¹⁹⁰
118. The question then becomes where this Government responsibility should lie. There was some agreement that the best mechanism would be the appointment of a dedicated Minister with principal responsibility for the delivery of new towns¹⁹¹ and ensuring effective communication and coordination between relevant departments.¹⁹² We were therefore pleased to hear the Minister explicitly taking ownership of the new towns programme and affirming his personal and professional commitment to it. We also welcomed his promise to continue to work closely with the Secretary of State throughout the delivery of the programme.¹⁹³

183 [Q 61](#) (Dr Edward Shepherd)

184 Written evidence from the Town and Country Planning Association ([NTP0037](#)), Meg Hennessy and Liz Williams ([NTP0065](#)) and The National Trust ([NTP0028](#))

185 See for example [Q 1](#) (Stephen Kelly), [Q 99](#) (Anne Ogundiya), written evidence from the Royal Town Planning Institute ([NTP0061](#)), London Legacy Development Corporation ([NTP0079](#)), The National Trust ([NTP0028](#))

186 [Q 23](#) (Dr Maya Singer Hobbs)

187 See for example [Q 19](#) (Dr Maya Singer Hobbs), written evidence from Royal Institute of British Architects ([NTP0066](#)), and Meg Hennessy and Liz Williams ([NTP0065](#))

188 [Q 1](#) Susan Priest

189 Written evidence from the Royal Town Planning institute ([NTP0061](#))

190 Written evidence from the London Legacy Development Corporation ([NTP0079](#))

191 [Q 39](#) (David Lunts) and Professor Doug Clelland and Dr Nigel Moor ([NTP0007](#))

192 [Q 28](#) (Dr Maya Singer Hobbs)

193 [Q 140](#) (Minister of State for Housing and Planning)

119. It must, however, be noted that the leadership of the Minister's department (not to mention his portfolio) has been less than stable over the last 15 years. As Steve Quartermain quipped: "In my 12-year career as Chief Planner, I worked for seven Secretaries of State and 22 Housing Ministers."¹⁹⁴ This high turnover raises concerns about the extent to which the Minister's clear commitment to the programme would be carried forward by his successors in the event that he was replaced. In this regard, it might be that a dedicated minister with a slimmer portfolio and stronger cross-departmental coordination mandate ought to be considered.
120. We also heard calls for the creation of a central oversight body to support the Minister and take responsibility for operationalising oversight and the strategic vision across all of the individual developments,¹⁹⁵ as well as monitoring progress at each site.¹⁹⁶ We were therefore disappointed to hear that the Minister had "not given specific consideration to" the establishment of a contemporary iteration of the post-war New Towns Commission to oversee the long-term management of assets.¹⁹⁷
121. If such a body were to be established, it might be able to take over directly from the New Towns Taskforce as a centralised planning agency for new and expanded towns. It would also be able to intervene with individual development corporations where necessary,¹⁹⁸ providing additional support, guidance, including on design standards, and clear lines of accountability. It could, on behalf of the Minister:
- sign off the masterplan, funding arrangements, and delivery model for each new town;
 - recommend the disbursement of central government funding for each new town once signed off;
 - act as a clearing house for the exchange and dissemination of effective practice on new and expanded towns;
 - be the body to which development corporations provide annual reports, which it would then use to produce an annual report on progress, lessons learned, and areas of concern, for the Minister to then report to Parliament; and
 - seek opportunities for both extending the programme of new and expanded towns and for ensuring that the standards achieved in these developments are embedded in wider practice through, for example, issuing guidance and organising training.
122. Such a body could be an agency of either MHCLG or the Cabinet Office, with a specific remit to bring other Government departments and agencies together and would report directly to the Minister. This would ensure both continued Government's focus on the programme and Cabinet representation. It would not have planning or compulsory purchase powers of its own but could include a team of experts to advise those undertaking those roles.

194 [Q 91](#) (Steve Quartermain)

195 [Q 125](#) (Hugh Ellis) and written evidence from The Home Builders Federation ([NTP0058](#))

196 Written evidence from the National Trust ([NTP0028](#))

197 [Q 145](#) (Minister of State for Housing and Planning)

198 Written evidence from Professor Doug Clelland and Dr Nigel Moor ([NTP0007](#))

123. Joanna Key, Director-General for Regeneration, Housing, and Planning, assured the Committee that the Government would “take to heart”¹⁹⁹ the lessons of the past in this regard.
124. **The Committee welcomes the Minister’s dedication to the new towns programme. However, a programme of such scale and ambition must be the responsibility of the whole government, not a single minister, and however ministerial and government oversight and sponsorship is structured, it must be capable of coordinating multiple departments and unlocking funding throughout the lifetime of the programme. In the absence of dedicated, cross-departmental, Cabinet-level leadership, we remain concerned about the wider Government’s overall capacity for, and commitment to, coordinated delivery. Without Government management and support, there is a strong likelihood of failure.**
125. *The Government must play an active role in coordinating and convening all of the stakeholders involved, including such bodies as Homes England and Natural England, both cross-departmentally, and between different layers of government.*
126. **We are disappointed that the Minister has not considered the creation of a contemporary iteration of the original New Towns Commission to manage the ownership of assets and provide long-term stewardship. We believe that such long-term considerations are critical to the success of the programme, and that the future of the communities and their assets must be an active discussion from the outset.**
127. *A centralised planning agency for new and expanded towns, reporting directly to the Minister, should be established to oversee, support, and ensure the quality of, individual projects from a central perspective, and maintain a consistent strategic vision.*
128. *The planning agency for new and expanded towns should be responsible for the long-term management and dispersal of assets once the delivery vehicle has ceased operations.*

199 [Q 145](#) (Minister of State for Housing and Planning)

CHAPTER 5: FINANCE AND FUNDING

129. It is clear from Government and Task Force statements that the current new towns programme will be predominantly driven and funded by the private sector: the Taskforce’s interim update highlighted the need to attract private investment,²⁰⁰ and the Minister for Housing and Planning stated in emphatic terms that “private investment will play a significant role in the development of this new towns programme.”²⁰¹
130. However, there was near universal agreement in the oral and written evidence that, if the new towns programme is to achieve its stated aims, such as the provision of a significant proportion of social and affordable housing, then this could not be funded entirely by institutional and commercial investment.²⁰² This was stated succinctly by Melanie Leech, Chief Executive at the British Property Federation: “public sector funding is not going to be available in the same way as previously ... Nor do I think that the private sector can wholly fund [the programme]. So there will need to be a partnership approach.”²⁰³
131. Accordingly, this chapter covers issues relating to private sector investment, including patient investment, derisking investment, funding infrastructure in advance, possible sources of public funding and, finally, land value capture and valuations.

Public funding, private finance

132. It is impossible to put a robust overall cost on the new towns programme as this will vary from development to development according to such factors as the price of the land, the facilities provided, the mix of residential and commercial development, the housing density, and any need for land remediation, among many others. Nevertheless, Barratt Redrow referred²⁰⁴ us to a report produced by WPI Strategy that estimated the cost of building a New Town and its associated infrastructure to be around £3.5–4 billion.²⁰⁵
133. In response to Financial Times reporting about this WPI Strategy report, the Government described any cost projections for the new towns programme as “pure speculation”.²⁰⁶ This figure can, however, be compared with the cost quoted just for railway works and a new station at Tempsford in Bedfordshire—one of the front runners for designation as a new town. This, the Committee was informed, was between £5.7 and £6.8 billion.²⁰⁷
134. The balance between public and private financing will vary according to the nature of the new town itself and according to its location. Dr Edward Shepherd told the Committee that:

“In some areas of the country, [new towns] may well be deliverable and viable with lots of private sector funding and a large proportion of affordable housing, because the values are there, it is perceived to be less risky, and there is more confidence about the future revenues from

200 MHCLG, *New Towns Task Force, Building new towns for the future, Interim Update*, February 2025

201 [Q 142](#) (Minister of State for Housing and Planning)

202 See, for example, [Q 19](#) (Dr Maya Singer Hobbs) and [Q 61](#) (Kathryn Jump and Miles Gibson)

203 [Q 68](#) (Melanie Leech)

204 Written evidence from Barratt Redrow PLC ([NTP0076](#))

205 WPI Strategy, *New Towns for England -where should they be, and how should they be funded and delivered*, May 2025

206 Financial Times, *Plans for 12 new towns in England to cost up to £48bn, report says*, 19 May 2025 [paywall]

207 Written evidence from Prof Doug Clelland and Dr Nigel Moor ([NTP0007](#))

land sales ... In other areas of the country, there may not be that market power to deliver with a corresponding perception of risk. Those sorts of areas may need more central government funding to help pump-prime and establish a principle and derisk.”²⁰⁸

135. In the context of the delivery of affordable housing, the Minister recognised the role that the Government could play in terms of derisking: “the Government standing behind these interventions and providing that support will, by its very nature de-risk the development to the extent that I think that it is completely achievable to hit those rates of affordable housing on these settlements”.²⁰⁹
136. *The Government should recognise, and make a clear commitment to provide for, the need for an element of public funding if new towns are to develop and to achieve their aims.*
137. *At Autumn Budget 2025, the Government should set out in explicit terms the precise mechanism through which it will provide public funding to the new towns programme and the individual new towns.*

Partnership and patient investment

138. Several witnesses stressed the need for a partnership approach to funding between public and private sources. As Caroline Foster of Urban & Civic stated, “public/private partnership is absolutely key. This is a huge opportunity to do that”.²¹⁰ Melanie Leech of the British Property Federation advised the public sector to pick its “private sector partners carefully and look for the kind of investors that have that long-term patient outlook. Partnership is going to be the approach.”²¹¹ For partnership to be effective, investors will need to be brought in, and partnerships formed, at the very outset of the process, in advance of masterplanning.
139. Melanie Leech, amongst others, mentioned the principle of ‘patient investment’ or ‘patient capital’ in which investors look for longer-term returns being willing both to invest in quality up-front and to tolerate year-on-year losses in the early stages of the development.²¹² As discussed later in this chapter,²¹³ the post-war new towns were initially funded significantly through Treasury loans. These loans were for a 60-year period. Initially, therefore, the Treasury behaved as a patient investor and was rewarded by a return on that investment over time.²¹⁴
140. Given that the funding for new towns will come predominantly from the private sector, we were told that “self-evidently the delivery of a new town requires much more patient capital and over a much longer period of time than conventional major development”.²¹⁵ Moreover, Katja Stille, Director of Planning & Urban Design at Tibbalds, said that what might make the town successful in the future might actually undermine short-term viability.²¹⁶

208 [Q 61](#) (Edward Shepherd) and see also, for example, [Q 85](#) (Maurice Lange)

209 [Q 143](#) (Minister of State for Housing and Planning)

210 [Q 68](#) (Caroline Foster).

211 [Q 68](#) (Melanie Leech)

212 [Q 68](#) (Melanie Leech), [Q 80](#) (Caroline Foster), [Q 2](#) (Dr Susan Priest) and [Q 93](#) (Anna Ogundiya)

213 Paras 154-156

214 See, for example, written evidence from Knight Frank ([NTP0029](#)) and Milton Keynes City Council ([NTP0086](#))

215 Written evidence from Home Builders Federation ([NTP0058](#))

216 [Q 93](#) (Katja Stille)

141. *At the same time as it designates the new towns, the Government should establish the institutional mechanisms for financing them, including bringing in potential investors for each scheme at the start of the process.*
142. **Returns on loans and investment will only accrue in the long term, and patient investment by both the private and public sectors will therefore be the primary source of finance for the programme. This will require a different approach to the phasing of investment.**
143. *The Government should establish a clear legal framework for patient investment by the private and public sectors from the start of the new towns programme.*

De-risking investment

144. A consistent theme in the evidence was the need to reduce the risk for private and public sector investment. There was some agreement that this would be easier for designated new towns than for other major developments. The factors that reduce the risk and, therefore, inspire greater investor confidence, include a clear vision, robust masterplanning, and transparent and regular review.²¹⁷
145. A key element could be the establishment of a publicly accountable development corporation with powers to acquire, hold and develop land. As Millie Mitchell, Researcher at the Institute for Government, told the Committee, once a development corporation has assembled the land and set out a masterplan, there is very little risk for investors and developers.²¹⁸ This is not to downplay the risk incurred by developers, particularly those, such as Urban&Civic who, as the Committee heard, are willing to invest in community provision in advance of need. Caroline Foster, Development Director at Urban&Civic, gave the example of their scheme at Houlton in the East Midlands where, “working with the Department for Education at Rugby, we knew a secondary school was required later in the development, but local demand already existed, so we brought that forward early and took the risk on it. We are delivering it and taking the design and delivery risk.”²¹⁹
146. We described in Chapter 4²²⁰ the Copenhagen model we encountered on our visit to that City, where ownership of By & Havn was split 95:5 between the city and the state respectively, even while the company operates on a fully commercial basis.²²¹ This element of public ownership enables By & Havn to access loans on more favourable terms, with lower interest rates and longer loan periods.²²² This points to the value of a partnership model under which the Government or a public body holds a small share in the delivery vehicle, as a means of derisking investment, even where that vehicle is otherwise wholly privately owned and operated.

Infrastructure first

147. We heard early on in our Inquiry about the case of Northstowe near Cambridge where there has been a lot of local anxiety and concern about

217 See, for example, [Q 68](#) (Charlotte Neal)

218 [Q 27](#) (Millie Mitchell)

219 See, for example, [Q 68](#) (Caroline Foster)

220 Para 102 and see Para 150

221 Appendix 4: Copenhagen Visit

222 See Chapter 4

the absence of a shop. The town started construction in 2015, and the first residents moved in in 2017. Five years later, the town still did not have a shop, café, or GP surgery.²²³ We heard that the original planning permission provided for a shop and the local authority assumed that the market would deliver this. This did not happen, and the Council has now had to step in and underwrite the lease²²⁴ in order for a local community shop to be delivered.

148. This is not a unique example. We heard that private developers baulk at the idea of having to put in social infrastructure such as supermarkets, community facilities and schools, without first establishing that all of the residents have been identified.²²⁵ However, we were told that the infrastructure and the services to support new communities have to be there from the very start, even if this requires the Government to take on a degree of risk at the start of development.²²⁶
149. Witnesses agreed that the common approach of only providing physical, commercial, and social infrastructure once the population and employers have moved in needs to change.²²⁷ The new towns programme provides an opportunity to adopt an ‘infrastructure first’ approach. We saw an example of this on our visit to Copenhagen: in the case of Ørestad new town, By & Havn initially built the metro line at the very beginning of the development, prior to the construction of any business or residential units. This enabled the first anchor tenants (DR, the Danish national broadcaster) to move in which, in turn, stimulated further business and residential demand.²²⁸
150. **Establishing a framework for patient investment will require service and infrastructure providers to be involved in the development of the funding model, in the masterplanning, and in the phasing of the new town from the outset.**
151. *The Government should model the availability and phasing of funding to support the ‘infrastructure first’ approach to new town development we recommend in Chapter 4 and should publish and disseminate the results of that modelling.*
152. *The Government should make a clear commitment that specific new towns will only be included in the first wave of the programme if the development corporation has established a financing and funding framework and this has been signed off by the Minister.*

Sources of public funding

153. Much of the evidence indicated that the emphasis on public sector funding should be—and may have to be—on lending rather than grant aid: “it is financing, not funding. It is lending, not spending.”²²⁹ As we touch upon in paragraph 140, the original wave of post-war new towns was financed by 60-year Treasury loans at a fixed rate of LIBOR²³⁰ +2%. As the new

223 BBC, *Northstowe: The broken-promise new town built ‘with no heart*, 12 July 2023

224 [Q 6](#) (Stephen Kelly)

225 [Q 97](#) (Anne Ogundiya)

226 [Q 20](#) (Ike Ijeh) and [Q 22](#) (Dr Maya Singer Hobbs)

227 See, for example, [Q 76](#) (Caroline Foster), [Q 93](#) (Kathryn Firth), [Q 97](#) (Anne Ogundiya), [Q 99](#) (Katja Stille) and [Q 128](#) (Tom Chance)

228 Appendix 4: Copenhagen Visit

229 [Q 61](#) (Miles Gibson)

230 London Inter-Bank Offered Rate (a benchmark interest rate used globally to determine the cost of borrowing for banks. It was phased out in 2024).

town development corporations were wound up, their commercial assets and liabilities, including any outstanding Treasury loan, were transferred to the New Towns Commission which had been set up in 1961 partly for that purpose.

154. Commentators²³¹ suggest that the original intention behind the new towns programme was to transfer all the assets, not just housing and community facilities, to the relevant local authorities. The New Towns Commission's remit was to obtain the best price reasonably obtainable for the land and property when sold.²³² These sales were used to pay off the loans.
155. The incoming Conservative Government in 1979 gave the Commission accelerated disposal targets²³³ and, through the disposal of assets, all the loans were paid off by 1999,²³⁴ at which time the Commission for New Towns joined with the Urban Regeneration Agency to form English Partnerships²³⁵ (replaced first by the Homes and Communities Agency in 2008 and, subsequently, by Homes England). By 2002, land sale receipts had generated £600million, £120million of which was reinvested in the new towns.²³⁶
156. There already exist a number of methods for funding development, as well as social and physical infrastructure, through current taxation and public funding streams. We were told about funding streams from NHS bodies for health care;²³⁷ further notable examples include Highways England for roads, Network Rail for rail schemes, education authorities for schools, and local authorities for open spaces and streets, as well as the affordable homes programme for affordable housing.
157. Such sources of funding face many competing demands at a time when public sector funding is tightly constrained. In this regard, the Committee noted that recent Government announcements, including those on a National Housing Bank²³⁸ and the Mansion House Accord²³⁹ on pension fund investment, as well as the adoption of a place-based focus in the Treasury's Green Book,²⁴⁰ showed the potential for widening the range of available instruments. In particular, the Mansion House Accord recognises the value of pension funds as a key source of patient investment: this reflects evidence we received on the particular importance of attracting pension funds as key patient investors in the programme.²⁴¹
158. Dr Maya Singer Hobbs, Senior Research Fellow at the IPPR, pointed out that the new fiscal rules might offer some room for manoeuvre in terms

231 Stephen Potter, (1997), *Overview of the English new towns*, In The New Towns Record, (CD ROM) Commission for the New Towns, London, p 6

232 TLGR, *The New Towns: Their Problems and Future*, (19th Report, Session 2001–02, HC Paper 603-I)

233 Stephen Potter, (1997), *Overview of the English new towns*, In The New Towns Record, (CD ROM) Commission for the New Towns, London, p 6

234 TLGR, *The New Towns: Their Problems and Future*, (19th Report, Session 2001–02, HC Paper 603-I)

235 Written evidence submitted to the Transport, Local Government and the Regions Committee inquiry on New Towns ([NT0033](#))

236 Written evidence from Knight Frank ([NTP0029](#))

237 Written evidence NHS Property Services ([NTP0053](#))

238 Ministry of Housing, Communities and Local Government, HM Treasury, The then Deputy Prime Minister and the Chancellor of the Exchequer, [Press release: Over 500,000 homes to be built through new National Housing Bank](#), 17 June 2025

239 HM Treasury, [Press release: Pension Schemes Back British Growth](#), 13 May 2025

240 HM Treasury, [Green Book Review 2025: Findings and Actions](#), June 2025

241 See, for example, written evidence from Daniel Black & Associates ([NTP0008](#)), Knight Frank ([NTP0029](#)) and TCPA ([NTP0037](#))

of how Government lends money to development corporations²⁴². Changes to these rules distinguish between borrowing for investment, such as for infrastructure, and borrowing for day-to-day expenditure.

159. Beyond these initiatives, which are already being set in place by Government, the new towns programme provides the opportunity to test and evaluate other forms of financing that have rarely been tried in England—although all have been tried on at least one occasion. These include local government bonds, tax increment financing (TIF), a business rates supplement, a mayoral Community Infrastructure Levy (CIL), and the use of council tax supplements. The potential use of bonds was raised by two witnesses²⁴³ and Knight Frank also made the link between bond issues and a stewardship investment trust.²⁴⁴ The use of bonds as a means of financing the new towns could mark a return to a previous era of large-scale municipal bond issues. TIF is much more widely used in, for example, the United States, where businesses borrow against a future rise in taxation, particularly business rates, in a specific area. Elements of TIF were used by the Greater London Authority in the development of the Vauxhall, Nine Elms, and Battersea Opportunity Area.²⁴⁵
160. A business rates supplement was used, again by the Greater London Authority, to part-fund the Elizabeth Line and applies to properties with a rateable value of £75,000 or above (2025–26) and a Mayoral CIL was also used for funding this infrastructure.²⁴⁶ One witness gave the further example of a London-wide council tax supplement to help fund the 2012 Olympics.²⁴⁷ We note that the English Devolution and Community Empowerment Bill²⁴⁸ also allows mayors outside of London to charge a mayoral CIL.²⁴⁹
161. **There are a number of innovative methods for funding major developments and, in particular, for funding infrastructure, that are either being put into place by HM Treasury or have already been used in certain cases.**
162. *The Government should take the opportunity provided by the new towns programme to test some of these alternative methods both to obtain extra sources of funding and to evaluate their wider applicability to general development.*

Land value capture

163. Among the innovative approaches to financing used in the post-war new towns programme was a system for capturing the uplift in the value of land that accrued by virtue of the land being developed—known as land value capture—and then reinvesting that increase in value both into the development of the scheme and for the benefit of the community that will live there. This is primarily, but not uniquely, realised through compulsory purchase, or the threat thereof.

242 [Q 19](#) (Dr Maya Singer Hobbs)

243 [Q 61](#) (Dr Edward Shepherd) and [Q 68](#) (Charlotte Neal)

244 Written evidence Knight Frank ([NTP0029](#))

245 [Q 7](#) (Tony Travers)

246 [Q 62](#) (Miles Gibson)

247 *Ibid*

248 [English Devolution and Community Empowerment Bill](#)

249 [English Devolution and Community Empowerment Bill](#), clause 33 and Schedule 14

164. Provisions in the New Towns Act 1946 and in the 1944 and 1947 Town and Country Planning Acts²⁵⁰ allowed the new towns development corporations to acquire land at existing use value (usually agricultural use value) and then retain the uplift accrued. This could be achieved by servicing the land and selling it on,²⁵¹ receiving rents²⁵² on properties developed by the corporations, or by selling off leases and freeholds to those properties.²⁵³ This meant that so-called ‘hope value’ was not considered for the purposes of valuation. Hope value is that part of a valuation that takes into account the possibility that the land acquired may receive planning permission in the future for a different and more financially beneficial use. The result was that land could be acquired at lower rates, generating a far greater uplift than if hope value had been taken into account.
165. This is by no means a new or innovative approach and this concept underlies existing mechanisms such as planning gain agreements negotiated through section 106 agreements²⁵⁴ and the CIL. It is also behind the concept of a ‘roof tax’ employed in Milton Keynes and cited in evidence as also being used in Handforth Garden Village, where “all the different funding things that the development is asked to pay for [are conflated] and you come to almost a price per plot”.²⁵⁵
166. Notwithstanding the important contribution that land value capture can make to the financing of a project, it is, of course, not sufficient to fund infrastructure and affordable housing by itself.²⁵⁶ Nonetheless, the New Towns Taskforce announced that it was making land value capture a priority area for consideration and the Minister for Housing and Planning confirmed that the Government had specifically asked the Taskforce to explore the role of land value capture as part of its work.²⁵⁷
167. The Minister also confirmed that new towns had the potential to capture additional value compared with other developments:
- “By the very nature of how these settlements will be delivered, they give us the chance to deliver much more public gain than standard housebuilding developments would. The very nature of being able to masterplan, to draw a red line around a development and to use land value capture mechanisms will allow us to do that.”²⁵⁸
168. In this regard, Miles Gibson, an independent consultant, raised the issue of the phasing of announcements about the locations of new towns and the establishment of the funding models to be employed:
- “It would have been better to say, ‘We will come out with our land value capture model in a year, and we will come out with our delivery structures in a year and then we will choose the locations.’ If the locations are

250 [English Devolution and Community Empowerment Bill](#), schedule 51 (2)

251 [Q 27](#) (Dr Maya Singer Hobbs)

252 London Legacy Development Corporation ([NTP0079](#))

253 Written evidence from the Milton Keynes City Council ([NTP0086](#))

254 A section 106 agreement (made under section 106 of the Town and Country Planning Act 1990) is a contract between a local planning authority and a developer that requires the developer to fund measures or take action to mitigate the impact of a new development on the local community.

255 [Q 62](#) (Kathryn Jump)

256 Written evidence from the Community Planning Alliance ([NTP0002](#))

257 [Q 142](#) (Minister of State for Housing and Planning)

258 [Q 143](#) (Minister of State for Housing and Planning)

identified first and the value capture strategy is identified second, the value will be captured by the landowner”.²⁵⁹

169. ***The new towns programme should be used to develop new ways of maximising the gain from land value capture and of reinvesting that gain in the community that created it, to act as exemplars for future development.***

Valuation

170. One of the keys to land value capture and the amount that it can raise is the valuation used for the initial acquisition of any land by a public body. As described above, post-war legislation allowed the majority of ‘hope value’ to be discounted for the purposes of valuation, allowing greater uplifts in value. After the Town and Country Planning Act 1947, subsequent legislation then allowed for hope value to be included in the price paid to the vendor under a compulsory purchase order.²⁶⁰ The Land Compensation Act 1961 introduced a test for determining this, and this was subsequently reworded in the Levelling-up and Regeneration Act 2023,²⁶¹ which introduced a power²⁶² to require the prospect of planning permission being granted to be ignored. Subsequent Government guidance confirmed that directions to remove hope value can be made for housing, development or regeneration schemes where they include public sector led affordable or social housing, health or education uses and are justified in the public interest.²⁶³
171. The majority of witnesses either supported, or did not oppose, the removal of hope value under specific circumstances.²⁶⁴ One who did demur was Kathryn Jump, Partner at Shoosmiths, who advised that, from the start, this would entrench the position of the acquiring authority versus the landowner and hamper the ability to come to a reasonable and fair negotiated settlement.²⁶⁵
172. We are aware from our previous inquiry into the Grey Belt²⁶⁶ that the Government is currently engaged in refreshing or revising²⁶⁷ the Planning Policy Guidance on viability.²⁶⁸ Although one submission to the Committee asked whether policy reform—such as revisiting the Land Compensation Act rules, “is needed to ensure the new town has sufficient resources for community facilities in the long term”,²⁶⁹ the evidence did not indicate that there was any significant desire for further changes to the valuation rules.
173. The Government is also consulting on reforms to the compulsory purchase system. Dr Edward Shepherd told us that: “It is very difficult to talk about land value capture in general without also invoking the spectre of

259 [Q 62](#) (Miles Gibson)

260 New Towns Act 1946, [section 2\(3\)](#)

261 New Towns Act 1946, section 189(3),(b) s189(3)(b) of the Levelling-up and Regeneration Act 2023 inserts into the Land Compensation Act 1961 section 17(1B), which states: “The test is whether, had an application for planning permission for the development been determined on the relevant planning date, the local planning authority would have been more likely than not to grant the permission...”

262 Levelling-up and Regeneration Act 2023, [section 190](#)

263 Ministry of Housing, Communities and Local Government, [Compulsory purchase compensation: Power to remove hope value](#), 3 October 2024

264 [Q 28](#) (Millie Mitchell)

265 [Q 63](#) (Kathryn Jump)

266 Built Environment Committee, [The Grey Belt](#) 6 September 2024

267 [Q 89](#) (Minister of State for Housing and Planning, Communities and Local Government)

268 Ministry of Housing, Communities and Local Government and Department for Levelling Up, Housing and Communities, [Viability](#), 6 March 2024

269 Written evidence from Mr Bryan Rylands ([NTP0006](#))

[compulsory purchase orders] net of hope value. That is the mechanism that, in my view, has to underpin the delivery of new towns.”²⁷⁰ As an alternative to the blanket removal of hope value from all assessments of compensation under a compulsory purchase order, the Government has mooted a more targeted approach whereby the Secretary of State would be permitted to “issue general directions for sites which meet certain defined criteria.”²⁷¹

174. **The continued inclusion of hope value in the assessment of compensation for compulsory purchase orders would pose a clear risk to the financial viability of new towns and make the delivery of affordable housing and community benefits much less feasible.**
175. *The designation of a new town that includes a commitment to deliver affordable housing and other community benefits should include a direction that the assessment of compensation for any compulsory purchase order within the designated area must exclude hope value.*

270 (Q 62) Dr Edward Shepherd)

271 Ministry of Housing, Communities & Local Government. *Compulsory Purchase Process and Compensation Reforms*, 19 September 2024

APPENDIX 1: LIST OF MEMBERS AND DECLARATIONS OF INTEREST

Members

Lord Gascoigne (Chair)
 Baroness Andrews
 Lord Mawson
 Lord Bailey of Paddington
 Lord Cameron of Dillington
 Lord Faulkner of Worcester
 Viscount Hanworth
 Baroness Janke
 Baroness Miller of Chilthorne Domer
 Lord Porter of Spalding
 Baroness Warwick of Undercliffe
 Viscount Younger of Leckie

Declaration of interest

Lord Gascoigne
No relevant interest declared

Baroness Andrews
No relevant interest declared

Lord Mawson
Chair, Well North Enterprises

Lord Bailey of Paddington
Chair, Faraday Ventures

Lord Cameron of Dillington
Farming and landowning interests involving agriculture and domestic & commercial property lets

Lord Faulkner of Worcester
No relevant interest declared

Viscount Hanworth
No relevant interest declared

Baroness Janke
No relevant interest declared

Baroness Miller of Chilthorne Domer
No relevant interest declared

Lord Porter of Spalding
No relevant interest declared

Baroness Warwick of Undercliffe
No relevant interest declared

Viscount Younger of Leckie
No relevant interest declared

A full list of Members' interests can be found in the Register of Lords' Interests: <https://members.parliament.uk/members/lords/interests/register-of-lords-interests>

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Chair of the Board of Trustees and Director: BHT Sussex (Charity number: 284839, Company number 01618610)

Trustee and Director: BHT Charitable Trust (Charity number: 292165)

APPENDIX 2: LIST OF EVIDENCE AND COMMITTEE ACTIVITY

Evidence is published online at <https://committees.parliament.uk/work/9016/new-towns-practical-delivery> and available for inspection at the Parliamentary Archives (02072195314).

Evidence in alphabetical order

| | | |
|--|--------------------------------|--|
| Professor Lynn Abrams, Professor of History, University of Glasgow | <u>NTP0055</u> | |
| Dr Hadi Arbabi, Lecturer, University of Sheffield | <u>NTP0031</u> | |
| Arup | | <u>QQ 92–107</u> , Kathryn Firth, Director in Cities, Planning & Design |
| AspinallVerdi | <u>NTP0075</u> | |
| AtkinsRealis | <u>NTP0054</u> | |
| Graham Balaam | <u>NTP0022</u> | |
| Katie Barnes | <u>NTP0022</u> | |
| Barratt Redrow PLC | <u>NTP0076</u> | |
| Be First London | <u>NTP0074</u> | |
| Beyond the Red Line | <u>NTP0084</u> | <u>QQ 92–107</u> , Anne Ogundiya, Director of Development and Masterplanning |
| The Bikeability Trust | <u>NTP0032</u> | |
| Neil Blackshaw, retired town planner | <u>NTP0051</u> | |
| Ed Blundell, retired | <u>NTP0018</u> | |
| Dr Federico Botta, Senior lecturer in data science, University of Exeter | <u>NTP0052</u> | |
| Britain Remade | <u>NTP0003</u> | |
| British Association of Landscape Industries | <u>NTP0059</u> | |
| British Property Federation (BPF) | | <u>QQ 67–82</u> , Melanie Leech CBE, Chief Executive |
| BusinessLDN | <u>NTP0045</u> | |
| BUUK Infrastructure | <u>NTP0056</u> | |
| Campaign to Protect Rural England (CPRE) | | <u>QQ 41–59</u> , Elizabeth Bundred Woodward, Planning Policy Manager |
| Cavendish Consulting | <u>NTP0082</u> | |
| | <u>NTP0088</u> | |

| | | |
|---|--|---|
| Centre for Cities | <u>NTP0011</u> | <u>QQ 83–91</u> , Maurice Lange, Analyst |
| Chartered Institute of Building | <u>NTP0068</u> | |
| Chartered Institute of Housing | <u>NTP0040</u> | |
| Prof Doug Clelland and Dr Nigel Moor at Liverpool John Moores University | <u>NTP0007</u> | |
| Yvonne Cleary | <u>NTP0022</u> | |
| Community Land Trust Network | <u>NTP0038</u> | <u>QQ 123–137</u> , Tom Chance, Chief Executive at Community |
| Community Planning Alliance | <u>NTP0002</u> | |
| Construction Industry Training Board(CITB) | <u>NTP0020</u> <u>NTP0087</u> | <u>QQ 108–122</u> , Ian Woodcroft, Head of Policy and Government Relations, Construction Industry Training Board, (CITB) |
| Council for British Archaeology (CBA) | <u>NTP0016</u> | |
| David Lock Associates | <u>NTP0067</u> | |
| Deetu (BWB Consulting Ltd) | <u>NTP0050</u> | |
| Professor Danielle Densley Tingley, Professor of Circular Construction, University of Sheffield | <u>NTP0031</u> | |
| District Councils' Network (DCN) | <u>NTP0034</u> | <u>QQ 1–16</u> , Dr Susan Priest, Member at District Councils' Network (DCN) and Chief Executive at Folkestone & Hythe District Council |
| Dr Amira Elnokaly, consultant to the AEC industry on Sustainable and Environmental Design and Whole Life Cycle Assessment, Associate Professor of Sustainable Architecture at the University of Lincoln | <u>NTP0078</u> | |
| Epping Forest District Council | <u>NTP0043</u> | |
| Essex County Council | <u>NTP0049</u> | |
| Dr Alistair Fair, Reader in Architectural History, University of Edinburgh | <u>NTP0055</u> | |
| Dr Helen Fairclough, Lecturer, University of Sheffield | <u>NTP0031</u> | |

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| Richard Fawcett | <u>NTP0022</u> | |
| Dr Susan Fitzpatrick, Senior Lecturer Geography, York St John University | <u>NTP0005</u> | |
| Dr Stephen Games, Editor, Booklaunch | <u>NTP0019</u> | |
| Miles Gibson, Former Prize Director, Wolfson Economics Prize. | <u>NTP0060</u> <u>NTP0036</u> | <u>QQ 60–66</u> , Miles Gibson, Former Prize Director, Wolfson Economics Prize. |
| Dr Jannik Giesekam, Strathclyde Chancellor’s Fellow, University of Strathclyde | <u>NTP0031</u> | |
| Dr Charles Gillott, Research Associate, University of Sheffield | <u>NTP0031</u> | <u>QQ 83–91</u> , Vincent Goodstadt |
| Miriam Graham, Research Assistant, University of Sheffield, | <u>NTP0031</u> | |
| Greater Cambridge Shared Planning | | <u>QQ 1–16</u> , Stephen Kelly, Joint Director of Planning and Economic Development |
| Mr Nick Green, Lecturer in Town and Country Planning, University of Manchester | <u>NTP0057</u> | |
| Hallam Land Management Limited | <u>NTP0062</u> | |
| Mr Robin Harrison, Retired Northampton Development Corporation | <u>NTP0047</u> | |
| Liane Hartley, Director, Mend London Ltd | <u>NTP0046</u> | |
| Henley Business School, University of Reading | <u>NTP0013</u> | |
| Meg Hennessy , Policy and Research Fellow , LSE | <u>NTP0065</u> | |
| Historic England | <u>NTP0015</u> | |
| Professor Kersty Hobson | <u>NPT0031</u> | |
| Professor at Cardiff University | | |
| The Housing Forum | <u>NTP0026</u> | |
| The Home Builders Federation (HBF) | <u>NTP0058</u> | |
| The Humanise Campaign | <u>NTP0080</u> | |

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| Ike Ijeh, Head of Housing, Architecture & Urban Space, Policy Exchange | <u>NTP0036</u> | |
| The Institute for Public Policy Research (IPPR)) | | <u>QQ 17–30</u> , Dr Maya Singer Hobbs, Senior research fellow |
| The Institute for Government (IFG) | | <u>QQ 17–30</u> , Millie Mitchell, Researcher |
| Intergenerational England | <u>NTP0001</u> | |
| Knight Frank | <u>NTP0029</u> | |
| Land, Planning and Development Federation | <u>NTP0021</u> | |
| LDA Design | <u>NTP0063</u> | |
| London Legacy Development Corporation | <u>NTP0079</u> | |
| David Lock CBE MRTPI | <u>NTP0030</u> | |
| Dr Rick Lupton, Senior Lecturer, University of Bath, | <u>NTP0031</u> | |
| Mae | <u>NTP0009</u> | |
| Shreenij Maharjan, Research Assistant, University of Sheffield | <u>NTP0031</u> | |
| Professor Nicky Marsh, Professor of English, University of Southampton | <u>NTP0072</u> | |
| Milton Keynes City Council | <u>NTP0017</u> <u>NTP0086</u> | <u>QQ 123–137</u> , Paul Thomas, Director of Planning and Placemaking <u>QQ 138-148</u> , Matthew Pennycook, Minister of State for Housing and Planning Joanna Key, Director General, Regeneration, Housing and Planning. Lise-Anne Boissiere, Co- Director for New Towns, Infrastructure and Housing Delivery |
| Ministry of Housing, Communities and Local Government | | |
| Mineral Products Association | <u>NTP0064</u> | |
| Dr Nigel Moor, MCD FRTPI (Rtd), Former Planning Correspondent and Consultant, NMA plc | <u>NTP0007</u> | |

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| Launce Morgan, Director, Lasa Management Ltd. | <u>NTP0039</u> | |
| National Trust | <u>NTP0028</u> | |
| Natural England | <u>NTP0044</u> | |
| NHS Property Services | <u>NTP0053</u> | |
| The Nichols Group | <u>NTP0014</u> | |
| Old Oak Park Royal Development Corporation (OPDC) | | <u>QQ 31–40</u> , David Lunts, Chief Executive |
| Dr Joseph Owen, Research Fellow, University of Southampton | <u>NTP0072</u> | |
| Shawn Parry | <u>NTP0077</u> | |
| Peabody | <u>NTP0025</u> | |
| Places for People | <u>NTP0027</u> | |
| Policy Exchange | <u>NTP0081</u> | <u>QQ 17–30</u> , Ike Ijeh, Head of Housing, Architecture & Urban Space |
| Pupils 2 Parliament | <u>NTP0041</u> | |
| | | <u>QQ 83–91</u> , Steve Quartermain CBE |
| Quod | <u>NTP0071</u> | |
| Emma Ramell, Director of External Affairs at The Home Builders Federation (HBF) | <u>NTP0058</u> | |
| Amelia Richardson | <u>NTP0042</u> | |
| RICS | <u>NTP0085</u> | <u>QQ 67–82</u> , Charlotte Neal, Director of Professional Practice & Research |
| Dr Keetie Roelen, Senior Research Fellow, The Open University, and Clare Walton, Chief Executive Officer, Community Action: MK | <u>NTP0048</u> | |
| Royal Institute of British Architects | <u>NTP0066</u> | |
| Royal Society for the Protection of Birds (RSPB) | <u>NTP0035</u> | |
| Royal Town Planning Institute | <u>NTP0061</u> | <u>QQ 108–122</u> , Robbie Calvert, Head of Policy and Public Affairs |
| Bryan Rylands | <u>NTP0006</u> | |
| Faye Sanders, PhD Researcher, University of Bath | <u>NTP0024</u> | |
| Professor Maria Sharmina, Professor, University of Manchester | <u>NTP0031</u> | |

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| Cardiff University | | QQ 60–66 , Dr Edward Shepherd, Senior Lecturer, Cardiff University |
| Shoosmiths | | QQ 60–66 , Kathryn Jump, Partner |
| Mr Lee Shostak OBE, Former Planning Director, Milton Keynes Development Corporation (1975–1980), Former Chair, Town and Country Planning Association; Director, Conran Roche, EDAW, Shared Intelligence (1980–2020) | NTP0012 | |
| Robert Smith, Director, Hyas Associates Trustees Ltd | NTP0069 | |
| Social Life | NTP0070 | |
| Stockport Mayoral Development Corporation | | QQ 31–40 , Paul Richards, Chief Executive |
| University of Hertfordshire | | QQ 41–59 , Professor John Sturzaker, Ebenezer Howard Chair of Planning, University of Hertfordshire |
| Thakeham | NTP0033 | |
| Tibbalds | | QQ 92–107 , Katja Stille, Director of Planning & Urban Design |
| Town and Country Planning Association (TCPA) | NTP0037 | QQ 123–137 , Dr Hugh Ellis, Director of Policy |
| Professor Tony Travers, Associate Dean, School of Public Policy and Department of Government, London School of Economics & Political Science | NTP0004 | QQ 1–16 , Professor Tony Travers, Professor in Practice and Associate Dean, The LSE School of Public Policy |
| University of Bristol | NTP0008 | |
| University College of Estate Management | NTP0023 | |
| Urban & Civic PLC | | QQ 67–82 , Caroline Foster, Development Director |
| John Walker , Former Planning Director and Deputy CEO, Milton Keynes Development Corporation (1980–1992), Former CEO, Commission for the New Towns (1992–1999) | NTP0012 | |
| Wellbank | NTP0073 | |
| Julian West | NTP0022 | |

The Wildlife Trusts [NTP0010](#)

Professor Cecilia Wong, Professor
of Spatial Planning, Department
of Planning, Property &
Environmental Management,
University of Manchester [NTP0083](#)

YIMBY Alliance [QQ 41-59](#), Kane Emerson,
Head of Housing Research

Published engagement and visit notes in alphabetical order

Appendix 4: Copenhagen Visit

APPENDIX 3: CALL FOR EVIDENCE

Background

The Government aims to have up to 12 new towns under construction by the next election. More than 100 potential locations in England have already been identified and submitted to the New Towns Taskforce, the majority of these being urban expansions in London, the South East, and the South West.

This first module, focused on practical delivery, will seek to understand the legal, political, and economic channels through which new and expanded settlements can be successfully delivered. It will consider the role of local, regional, and central Government, and examine what effect devolution might have on delivery. We will also explore the role of the private sector and public/private partnerships, considering alternative funding models and looking to contemporary success stories both nationally and internationally. Strategic master planning and long-term support will be highlighted, questioning how the Government can learn from previous new town policies to ensure successful delivery. The inquiry will also examine the practical implications of building on such a scale, considering the capacity of the construction sector, what legal challenges could be faced, and the role of robust community consultation.

Values

The Committee has identified five key values which will guide the course of this inquiry. These values reflect the popular consensus on what make a good new town that both meets existing needs and is likely to endure. We would ask that submitted written evidence considers these values, and where possible incorporates them into discussion.

- Wellbeing: is this good for the health and wellbeing of people who live here?
- Accessibility: is this accessible and affordable for people with different needs?
- Connectivity: is this development easy and safe to travel within, and to/from?
- Sustainability: is this good for the local and global environment?
- Longevity: is this going to stay functional for future generations?

Questions

General

- (1) What do you anticipate will be most significant impact(s) of the Government's proposed new towns?
- (2) Over what timescale do you expect this(/these) to be realised?
- (3) How do the proposed new towns and expanded settlements differ from previous initiatives over the last 80 years?
- (4) What, if any, are the barriers to the development of good quality new towns?
- (5) What current policy channels exist to delivery new towns, and are they sufficient? If insufficient, what policy changes would facilitate their development?

- (6) What do you think future modules in our inquiry should examine when considering what makes a successful new town?

The Role of Government

- (7) What should be the respective roles and responsibilities of local and regional government in the delivery of new towns?
- (8) How can central Government support the planning and delivery of new towns?
- (9) What is the most effective economic model for building and managing a new town?
- (10) What role should community engagement play in developing and planning new towns?

Strategic Master Planning

- (11) What elements should be prioritised in the strategic master planning of new towns?
- (12) In what ways can master plans support the long-term economic viability of new towns?
- (13) On what basis, and using what metrics, should the location and size of new be decided?
- (14) In which types of locations and in which parts of the country would you prioritise the development of new towns and why?
- (15) To what extent can the proposed new towns act as a model for general housing development across the UK?

Legalities, Economics, & Skills

- (16) What long-term support will new towns need to ensure that their delivery is efficient and successful?
- (17) Does the construction sector have sufficient capacity and skills to deliver new towns?
- (18) If not, what should be done to ensure that it is, and over what timeframe can capacity be made?
- (19) Is there sufficient capacity in the English workforce?

APPENDIX 4: COPENHAGEN VISIT

Introduction

On Thursday 26 and Friday 27 June 2025 a delegation from the Committee visited Copenhagen. Baroness Andrews, Lord Cameron of Dillington, Lord Faulkner of Worcester, and Lord Gascoigne attended, accompanied by the Clerk and Policy Analyst.

Members met:

- By & Havn
- Cobe Architects
- His Majesty's Ambassador to the Kingdom of Denmark
- Representatives of major Copenhagen architects
- Officials from Kulturministeriet (the Ministry of Culture)
- the City Architect's Office to discuss the wider city spatial plan

The delegation was supported throughout the visit by Katrine Feldinger and Anita Ly from the Scottish Government Nordic Office, under the auspices of the British Embassy in Copenhagen.

Copenhagen was selected for this visit due to its history of urban expansions, including Ørestad in 1989 and Nordhavn some 30 years later. The development of both sites has been delivered by By & Havn, the Danish equivalent of a development corporation and has been partially financed through land value capture connected to major infrastructure upgrades. Both settlements are close to the centre of Copenhagen, which afforded us the opportunity to compare the two, and understand the lessons that have been learnt and how these might be applied to the Government's new towns programme.

Ørestad-By & Havn

We first met Marc Jørgensen from By & Havn for a tour of Ørestad. Ørestad is a major urban expansion of Copenhagen, first proposed in 1989, and is still under construction. It is located in the southern part of Copenhagen and contains more than 15,000 homes housing a total population of over 26,000.

We toured several key sites in Ørestad, including the concert hall, residential plots of varying sizes, and the famous 8House building.

Ownership of By & Havn is split, with 95% being held by the City of Copenhagen and 5% by the Danish State. It is obliged to operate on a for-profit basis and acts as a commercial developer. However, its profits go directly to Copenhagen's metro operator. In Ørestad, By & Havn act as the masterplanners, and set design standards for each of the individual plots, specifying matters such as materials, window sizes, and façade design.

Lessons Learnt

- The metro line was constructed and operating before major development had commenced, initially going into empty land. This demonstrated the government's confidence in the scheme, and also caused a rise in land value, facilitating further development from By & Havn through its sale of plots of land.

- The settlement's phased development plan has been revisited and revised over the years, taking into account current population projections and employment data.
- The initial anchor tenant in the northern part of Ørestad was DR, the state broadcaster, whose presence attracted further businesses to the settlement. In accordance with the founding legislation, By & Havn has the ability to support the development of cultural venues through reduced land prices.
- Another early business was a major shopping mall. This has attracted significant criticism from residents and smaller businesses, as By & Havn has since struggled to attract tenants for commercial premises elsewhere in the neighbourhood. It has also struggled to adapt to changing shopping patterns.
- In the early stages of masterplanning, the city government, as the planning authority, gave insufficient consideration to certain types of public institution, including schools and leisure facilities. This has resulted in the city having to buy plots back from developers to build these facilities and also has resulted in odd-shaped plots for key social infrastructure. As a result, in cooperation with the city administration By & Havn now deliberately incorporates space into its masterplans to accommodate not only future growth, but also anything that might initially have been overlooked.
- As a result of the state's 5% stake in By & Havn, the company is able to access borrowing for long time periods at favourable interest rates. This enables it to act as patient, long-term investor in its schemes, and to take out significant loans to fund development.

Kulturministeriet-Danish National Architectural Policy

The next morning, we attended a meeting with representatives from key architectural practices in Copenhagen, and officials from Kulturministeriet (the Ministry of Culture), to discuss Danish architectural policy, hosted by HE Joëlle Jenny, His Majesty's Ambassador to the Kingdom of Denmark. The meeting was a wide-ranging and informal exploration of a number of different topics of interest and included extensive discussion of the work of the Expert Group for a National Architectural Policy, and the Eight Principles and 24 Recommendations that the Group had developed for the Ministry.

Nordhavn-Cobe

We then visited Cobe Architect's studio in Nordhavn, where we were hosted by Rune Boserup, Urban Director. We then took a tour of Nordhavn, another urban expansion. Planning commenced in 2009, and the settlement is due to be completed in 2060. It is located in the north of Copenhagen and has a current population of 6000. This is expected to increase to 40,000 by the time it is completed.

By & Havn is also the principal landowner and developer of Nordhavn but, in contrast with Ørestad, it has handed masterplanning and design of the region to Cobe. Nordhavn is being financed through a mixture of private and public loans, as well as land value capture mechanisms.

Lessons Learnt

- The masterplan emphasises smaller development plots and a greater variation in height, density, and massing as a result of community feedback from Ørestad.

- Development is being phased, building outwards from the original centre of Copenhagen to mitigate the possible impact of financial pressures necessitating a premature end to development.
- A single organisation owns most of the ground floor commercial units within the Århusgade neighbourhood, meaning that shop offerings can be curated, and the relationship and competition between smaller businesses and large chains can be managed effectively.
- Masterplanning emphasises pedestrians and their wellbeing, with more active frontages, and networks of pocket parks and promenades.
- By & Havn has experimented with innovative land value capture solutions, such as tenants paying higher fees depending on their proximity to the new metro stations.

City Architects Office–Meet Copenhagen

In the afternoon, Kristine Munkgård Pedersen from the office of the Copenhagen City Architect, hosted us at Copenhagen City Hall to discuss the city’s long-term spatial planning strategy, as well as upcoming major infrastructure projects.

The meeting finished with an outline of the next significant urban extension, which will be a major reclamation project in the sea just next to Nordhavn. This is due to start in 2035 and will provide homes for 35,000 people, and 35,000 jobs over an area of 2.8km².

Lessons Learnt

- In the 1990s Copenhagen was struggling with significant debts and a small, inactive population. To reverse the city’s decline, the city and state invested heavily in major infrastructure projects, including a metro system, expansion of the airport, a bridge to Sweden, and a new neighbourhood (Ørestad).
- By & Havn’s status, separate from, but connected to, the City government has, to a certain extent insulated it from voters. However, there are now some concerns about a lack of democratic accountability, and this may be forcing a rethink of elements of this model.
- Nonetheless, the city recognises the need to encourage developers. It does this through a process of demand and negotiation. It prefers to move cautiously and has found that testing and proving new models of development and funding allows it to increase the reciprocal demands it makes of developers incrementally over time.
- The City government focuses heavily on making Copenhagen liveable and adapting to the needs and preferences of the population, both in terms of the structure of streets and thoroughfares and the operation of so-called ‘edge zones’—the liminal space between private property and public spaces—and how these spaces can be opened up effectively for public use.
- There is a strong focus on multi-functionality, ensuring that facilities such as schools are available and open to their communities for other uses. To facilitate this, schools are explicitly not closed off or secured with fences, keeping them safe instead by making them useful to as many people as possible.
- The City focuses on renewal rather than reconstruction, learning from the lessons of the 1960s and 70s.