

New Towns Taskforce

Report to Government



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Foreword from the New Towns Taskforce Chair

I am pleased to present this report on behalf of the New Towns Taskforce.

Although no new towns have been designated in the last 55 years, they continue to exert a firm grip on imagination of those convinced of the need for government to adopt a bigger calibre response to promoting economic growth and the supply of homes. This is perhaps no surprise, given that the 32 new towns established since 1945 are now home to approximately 2.8 million and include some of the fastest growing local economies in the country. Clear evidence of the impact of bold, visionary government action and this nation's ability to create new communities and revitalise others.

We were commissioned by the government in September 2024 to identify specific locations for new towns and to make recommendations on how they might be designed and delivered, with a particular focus on unlocking economic growth as well as making a significant contribution to meeting housing demand in England.

We have used the last year to engage widely with landowners, residents, housing providers, the design community, investors as well as many others who I would like to thank for offering their time and expertise. We have learnt much both from existing new towns but also from those with ambitions for the future. Throughout our work, we have been impressed by the scale of support for a new generation of new towns and the widespread

recognition that it need not be limited to green field sites but can include urban extensions and even the remodelling of existing city centres as long as the new community has a clear and distinct identity.

All of this debate points to a compelling argument: that the early creation of well planned, large-scale “new town” developments in the right locations can make a telling contribution to both the pressing need for more homes but also to the nation's ambition for faster economic growth – especially if priority is given to locations with growth potential which are currently constrained by local shortages of skilled workers due to a lack of affordable homes.

I am confident that our shortlist of 12 new towns are well-placed to achieve the objectives set by the government and will lead to the creation of successful new communities, with lasting positive economic and social impacts both in the locations themselves, but also within their wider regions.

These are specific sites with a degree of local support and landowners, developers, councils and others ready to welcome a new town. The exact boundaries of each place would depend upon further careful work by MCHLG and Homes England, including in due course public consultation.

As we have travelled the country we have been struck by the widespread consensus that as a nation we must urgently do more to ensure that we can meet the housing needs of our

children and grandchildren. We have therefore taken particular interest in locations where new towns can be delivered quickly.

In some of these locations planning and even development is already advanced but, in every case, we are convinced that designation as a new town accompanied by energetic government action can increase both the scale of development and the speed of delivery.

Only government can provide the confidence for long-term investment, innovation in building and design, the urgent acceleration of infrastructure provision (especially for power, water and transport) and effective cooperation across government departments. It needs to be bold in responding to this challenge, by asserting its role to act in the national interest and to engage robustly with land owners, developers and builders to create partnerships that share risks and returns. However, the Taskforce understands the intense funding pressures on government at present and recognises that this will constrain the progress that can be made with some new town opportunities.

These are challenging times for new calls on the public purse but we take heart from government's willingness to consider long-term loan funding, the potential use of guarantees and tax funding instruments to attract and secure private investment. We also recognise that the landscape for long-term institutional investment is evolving and has already had a substantial impact on the supply of homes to rent. We were particularly encouraged to find large investment bodies (domestic and international) willing to support government leadership in creating new towns.

Our report is clear that this initiative is not just about building houses but rather the creation of thriving communities, each with a distinct sense of place and tailored to local challenges and opportunities. The creation of new towns where residents can invest their energies and their dreams. Above all our placemaking recommendations focus on the importance of early master-planning for the whole area, as well as careful design for the creation of high quality places, supported by long-term stewardship. We emphasise early investment in social and economic infrastructure, good transport connections, and the environmental resilience needed to create a sustainable community.

During our investigations, we have taken particular pleasure in finding landowners and developers currently following our placemaking approach because it reflects their own commercial interests and legacy ambitions. These are natural partners for government, but partnerships must be robustly negotiated with the aid of strong commercial advisers to ensure a real sharing of risks and return; learning from a history of promises made to secure planning approval but often diluted subsequently.

In our conclusions about how new towns might be delivered we stress the role of dedicated development corporations able to focus single-mindedly on creating the new town, to acquire land on the best possible terms, to draw together the necessary design and commissioning skills, to plan and ensure the delivery of infrastructure and homes, and to engage effectively with residents and neighbours as well as local government. They may not be needed for every location but they are our preferred instrument of delivery and any other approach must be measured against the

strength of this one. We are encouraged that the owners and investors that we met share the view that a development corporation would bring skills and increased confidence as well as reflecting government commitment.

For too long there has been a lack of public confidence in this country's ability to deliver the homes and infrastructure that we need. I hope that the work of the Taskforce in support of government's wider aims can help rebuild trust and self-confidence and provide a lasting legacy for how large-scale housing is delivered in this country.

I thank Dame Kate Barker, my always thoughtful deputy, and all our other Taskforce colleagues for their wisdom, energy and enthusiasm for our mission. I also thank Ellie de la Bedoyere, Lucy Wilkins and all their colleagues in the New Towns Unit and beyond for their creative support as well as Danielle Gillespie and colleagues in Homes England for all of their work. I would also like to thank Toby Lloyd, Stuart Andrews and Pat Ritchie for their regular expert contributions to the Taskforce. I also want to thank Lichfields for their support in building our evidence base, particularly informing our strategic case and lessons learned exercise.

Sir Michael Lyons

New Towns Taskforce Members

Sir Michael Lyons (Chair)

Dame Kate Barker (Deputy Chair)

Bill Hughes

Dame Diane Coyle

Lyn Garner

Helen Gordon

Kate Henderson

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Sowmya Parthasarathy

Dr Wei Yang

Eamonn Boylan (until January 2025)

Executive Summary

Remit and challenges

1. **The New Towns Taskforce was established by the government in July 2024 to identify locations for a new generation of new towns in England.** The ambition is that these new towns will provide a model of best practice for how new, large-scale developments can unlock economic growth opportunities and contribute to meeting housing need across the country.
2. **In setting this remit, the government has been clear that work on these new towns must begin urgently, in order to address the challenges facing the UK today** – primarily low productivity, compounded by a significant shortfall in housing stock. That shortfall in turn is limiting labour mobility, worsening public health, disrupting educational attainment, and delaying family formation, each with significant negative economic and social consequences.
3. **The Taskforce has considered a range of new towns models in identifying sites which are best placed to achieve these objectives.** In line with our remit, the Taskforce has considered not only locations for standalone new towns but also the expansion of existing towns and cities where a new, well-planned and well-connected, community of scale could meet housing need and contribute to the drive for economic growth.
4. **Although these recommended new towns cover a range of models, they are all be characterised by the key elements of the new towns vision.** They should be built at scale with land assembly and housing delivery usually beyond the capacity of the private sector alone, driven by a strong single delivery vehicle, and built in line with leading placemaking standards which will ensure that the needs of existing and new communities are met and create a distinct feeling of place.
5. **The post-war New Towns Programme was the most ambitious town-building effort ever undertaken in the UK.** It transformed the lives of millions by providing affordable and well-designed homes, often in areas where economic potential had long been constrained by a lack of housing provision and failing infrastructure. What began as a fast-paced programme designed to support the country through its reconstruction developed into a platform for fostering economic growth and improving living standards.
6. **Though there are lessons to be learned from previous waves of new towns, the Taskforce believes it is critical that the government recaptures this level of ambition to address the challenges of the present.** Building a successful generation of new towns will require confident government intervention, with government willing to use



Hanham Hall, Bristol. © Nick Harrison

- every lever at its disposal, work closely with public and private-sector partners, and prioritise infrastructure and land acquisition.
7. **To capitalise on the benefits of building at scale, the Taskforce recommends, in line with the remit set by government, that new towns should contain at least 10,000 homes – but expects that most will significantly exceed this target.** Overall, the Taskforce has estimated that together, its recommended locations could contribute at least 300,000 new homes in the coming years. By providing a substantial number of homes in the right locations, we expect new towns to play a pivotal role in improving housing affordability over time, particularly through the delivery of significant volumes of homes offered at social and affordable rent.
8. **The size of each site delivered as part of any future programme will also generate consistent demand for the skills, materials and creativity** that are needed for a bigger, more confident and efficient building industry, and a stronger economy. New towns will also provide broader benefits to health and education as new communities are created with the services they need within easy reach.
9. **Through our work we have also taken into account the UK’s wider context.** The UK has a growing and ageing population, stark regional inequalities, and fundamental infrastructure failings across areas such as transport, energy and water. The Taskforce has been concerned to learn the extent to which sufficient water and power infrastructure has not been put in place or planned over the last twenty years or more. These infrastructure issues have been taken into account in the Taskforce’s recommendations in order to ensure those recommendations are realistic, but the Taskforce notes that government must continue to take steps to resolve them. **Further details on how new towns can play a role in addressing some of these challenges are set out in Chapter 1.**
10. **The government needs to tackle the present weaknesses in strategic planning in order for new towns to be successful over the long term.** Long-term strategic planning is essential for the future not only of new towns but also the broader built environment and will ensure both quicker delivery as well as greater return on public investment. The government is taking steps to address this and the Taskforce has aligned with these initiatives wherever possible.

11. The Taskforce's recommendations have therefore been developed alongside the government's ten-year infrastructure plan and wider Industrial Strategy to align with these long-term plans. **We have also sought to propose a model for delivery which not only aims to address immediate housing shortages but also to lay the groundwork for a resilient future housing supply and longer term reform**, including in the context of a growing and ageing population; and our recommendations on both placemaking and delivery reflect this.
12. **Though not a panacea, new towns can play a crucial role in addressing the many issues described above.** They can significantly accelerate housing delivery in places with inadequate supply and unlock economic growth by accelerating labour market mobility. This can be achieved in an environmentally sustainable way through innovative design and infrastructure. 21st century new towns can also play a crucial role in building a larger economy, through accelerating the expansion of the construction supply chain and driving investment into the crucial skills and construction methods needed to support delivery on this scale, including digital innovation.
13. They can also support business growth in and around the new towns themselves, benefiting existing communities as well as those attracted to the area. All these benefits are not limited solely to this next generation of new towns; indeed, **a key role for any future programme is to help reshape the way that large-scale developments**

are planned and built in this country and act as a blueprint for the future.

The new towns model

14. **This generation of new towns must be about more than just building homes.** New towns should create thriving communities which will have the supporting social and economic infrastructure and public services and amenities they require established from the outset. This includes access to green spaces and reliable transport links, built in line with leading placemaking standards and facilitating employment opportunities. New towns should also be climate resilient, helping to protect, restore and enhance biodiversity.
15. In **Chapter 3, we therefore recommend ten key principles for placemaking** which will require and ensure thoughtful development that is appropriate for the individual circumstances of particular locations, including a range of tenures and housing types so that new towns provide suitable homes for all parts of the community. **The Taskforce recommends that these placemaking principles form part of any agreement with delivery bodies and with developers.** Further details of how the government might monitor and develop these standards are set out later in the report.
16. **The Taskforce recommend that this approach should be facilitated by a robust approach to land acquisition and assembly, with further detail on delivery set out in Chapter 4.** This should include pooling of existing public land, negotiated acquisitions and compulsory purchase, and should

- be done at the earliest available opportunity to ensure that the government can capture land value uplift where possible. This will allow the government to realise the value of land and retain control over developments over the long term. It will **enable housing to be delivered at a significantly larger scale and at a quicker pace** than could be delivered through existing delivery models guided by a longer term strategic approach.
17. **The Taskforce recommends that delivery of new towns is most appropriate through a development corporation.** Development corporations have significant powers to coordinate investment, develop expertise, assemble land and facilitate faster delivery, ensuring joined-up infrastructure and amenities are in place from the outset, as well as providing more certainty about the future path of delivery. A range of delivery models may be appropriate depending on the circumstances in each location, including the potential for centrally-led and mayorally-led development corporations, particularly where this will facilitate cross-boundary implementation.
 18. **There may also be circumstances where private sector partners and investors could play a greater role in delivery of new towns,** particularly where they already own land and can demonstrate enthusiasm for new towns placemaking principles. This may still include a development corporation model, to ensure that risks and rewards are shared, accelerate planning processes and protect public interests.
 19. Crucially, **we recommend that any delivery model for new towns must be based on clear contractual arrangements** between developers and other partners to deliver new towns to high standards in exchange for long-term certainty of investment and government support.
 20. **To help provide this certainty, the Taskforce recommends that the government acts robustly in negotiations with potential locations and ensures that the planning framework for upfront consenting routes for new towns is fit for purpose.** This should include refining Development Orders, Supplementary plans, Local Plans, and the interface with the Developer Contributions system to make sure they support the new towns model. It is also important that delivery bodies have the necessary tools available to them to overcome barriers in the existing planning system, in order to accelerate buildout in a coordinated way.
 21. The Taskforce recognises that in publishing its recommended locations, land values may rise and options may be triggered. **The Taskforce therefore recommends the government immediately commit to an interim planning policy which allows call-in and refusal of developments** which could compromise the potential of new towns by blocking the opportunity for comprehensive planning as result of speculation.
 22. **The Taskforce recommends that the government provides significant upfront funding for new towns.** This includes providing long-term loans to development



Fruit Market, Nottingham. ©Emilio Costa

corporations to cover the costs of development and prioritising the infrastructure needs of new towns in a timely fashion. This funding security should facilitate a faster pace of development and investor support for new towns long into the future, guided by clear responsibilities for stewardship recommended by the Taskforce.

23. The locations we are recommending to government have varying infrastructure requirements to deliver in line with the Taskforce ambition for new towns. The Taskforce recognises that government faces funding pressures that may constrain its ability to provide the necessary investment in infrastructure which will be a significant factor when it chooses which sites to take forward as new towns.

24. **It is important that the government fosters confidence amongst investors and other key delivery partners across both the public and the private sector.** Although some locations should begin to deliver homes within this Parliament, all will be decades long projects as new towns continue to develop and grow even after initial completion.
25. **The Taskforce also recommends that the government takes a strong leadership role across Whitehall and beyond.** This is particularly critical to ensure that funding for new towns is prioritised across departmental spend and that crucial infrastructure is delivered in a strategic way. The government's recently published infrastructure strategy is a step in the right direction but sustained

collaboration across central and local government is key to the long-term success of new towns.

Recommended places

26. Ministers asked the Taskforce to develop a shortlist of locations for new towns from which ministers could choose, with the primary objective of creating new and expanded places which are well placed to boost economic growth and the supply of new homes, spreading opportunity and supporting strong communities.
27. When considering locations, **we began by considering sites which could support the traditional new towns model**, standalone settlements of at least 10,000 homes. However, in line with our remit, **we also considered urban extensions and pipeline developments** that could be accelerated through new town designation, provided they meet high design standards.
28. The immediate post-war generation of new towns focused primarily on alleviating overcrowding in major cities and 1960s new towns had a greater emphasis on spreading economic opportunity. This 21st century generation of new towns aims to drive growth in areas which are currently constrained by a lack of housing and essential infrastructure and also aims to promote the regeneration of our cities.
29. **In line with our growth remit, we have generally prioritised high productivity locations where housing shortages are limiting labour mobility and economic potential.** But we also identified areas with strong growth potential, such as industrial clusters or rising employment hubs, where new towns could act as catalysts for further economic expansion, especially when paired with scaled up strategic transport investment.
30. There are therefore a range of interventions in our list of recommended places, from standalone settlements to new urban quarters. Regardless of type, **all recommended sites share core characteristics.** They are at larger scale than those currently being delivered without government intervention, where the role of the government in driving design standards, accelerating planning and facilitating early investment in social and economic infrastructure can have the biggest impact. Further detail of our recommended shortlist of sites and approach to selection are set out in **Chapter 2.**
31. **To meet the demands of the pressing housing crisis,** the Taskforce has prioritised sites, from within its November Call for Evidence as well as opportunities which the department and Homes England were already aware of, which are **ready to begin development within this Parliament.** The Taskforce's Call for Evidence carried out between November and December 2024 led to over 100 responses demonstrating the significant enthusiasm across the country to benefit from the distinct offer of any future New Towns Programme.

32. On the basis of the approach set out above, we recommend that the government selects its next generation of new towns from the following 12 locations:
 - a. A standalone settlement in **Adlington, Cheshire East**; to serve the growing industries in Greater Manchester and Cheshire, as identified in the government's Industrial Strategy.
 - b. A corridor of connected development in South Gloucestershire, across **Brabazon and the West Innovation Arc**; building in one of the highest productivity areas in the country with a high value research, advanced engineering and technology economy.
 - c. An expanded development bringing together **Chase Park and Crews Hill, Enfield**; delivering green development and helping address London's acute housing need.
 - d. Redevelopment of the former airbase at **Heyford Park, Cherwell**; connecting to Oxford and building on the existing progress and commitment to high-quality placemaking; referencing the area's past and supporting its future in innovative clean technology industries.
 - e. Urban development in **Leeds**; catalysing on the city's existing economic prospects and capturing the benefits of the government's £2.1 billion local transport funding allocation for the Combined Authority by delivering well-connected, high-quality homes in the South Bank to support the city centre.
 - f. Inner-city development and densification in **Manchester, Victoria North**; supporting continued growth and attracting high-skilled workers to service the city's diverse industries.
 - g. A standalone settlement in the **Marlcombe, East Devon**; strengthening the region's labour supply and supporting the Exeter and East Devon Enterprise Zone.
 - h. A 'Renewed Town' in **Milton Keynes**; reinvigorating the city centre and expanding to the city periphery whilst reshaping the way people travel, by delivering a Mass Rapid Transit system.
 - i. Densified development in **Plymouth**; evolving Britain's Ocean City and capitalising on the government's £4.4 billion investment in HMNB Devonport, Western Europe's largest naval base.
 - j. A new settlement in **Tempsford, Central Bedfordshire**; to maximise the benefits of East West Rail, by building a well-connected new town in the heart of the Oxford-Cambridge Growth Corridor.
 - k. The creation of a riverside settlement in **Thamesmead, Greenwich**; unlocking inaccessible land in the city and improving connectivity if the proposed extension of the Docklands Light Railway can be delivered to enable the development.
 - l. Expanded development at **Worcestershire Parkway, Wychavon**; accelerating delivery around the existing train station to help meet regional housing need and act as a model for sustainable, carbon neutral development.

33. **It is for the government to decide how to progress the recommendations in this report**, but we believe our work provides the basis for new towns development to be implemented at an accelerated pace. This generation of new towns should contribute to wider reform of large-scale homebuilding and support changes needed to boost growth and meet housing need over the coming decades. All of these locations will of course be subject to the completion of further due diligence, which we have commissioned from the department and Homes England. This will include undertaking a Strategic Environmental Assessment (SEA) including appropriate wider consultation before taking final decisions on new town locations.
34. Some of the 12 locations are ripe for early delivery and provide an opportunity to demonstrate proof of concept and build momentum for future waves of new towns. **The government should be prepared to bring forward future new towns as part of a renewed focus upon strategic planning** across national government and in close collaboration with local government. This should include leveraging spatial data to explore emerging trends, and identify future opportunities for large scale developments in a way that is aligned with the national infrastructure pipeline and Industrial Strategy.
35. New towns are of course **not the only tool being deployed by the government to meet housing needs**, and may not always be the most effective option for a particular place. The government will therefore need to carefully consider how to ensure that any new towns intervention offers additional value compared to alternative delivery vehicles and complements wider housebuilding work, through initiatives such as the New Homes Accelerator Programme.¹
36. As well as recommending locations for potential new towns, this report also sets out the Taskforce's recommendations in the following areas:
- a. **The case for new towns** – This describes how new towns will address current challenges, including their long term socio-economic, public health and environmental benefits. **(Chapter 1)**
 - b. **Recommended locations for new towns** – This includes the Taskforce's approach to place selection and its recommendations for an initial list of potential of new towns. **(Chapter 2)**
 - c. **Building blocks for new towns** – This includes the Taskforce's placemaking principles for what we believe will make for a successful new town. **(Chapter 3)**
 - d. **Recommendations on how to deliver and fund new towns** – This includes recommendations on delivery bodies (including the role of the private sector), planning and build out, on how to encourage investment, and on the short and longer term funding models and approach to land. **(Chapter 4).**
37. A full list of the Taskforce's recommendations is set out at **Annex A**.

1 MHCLG, New Homes Accelerator Programme, August 2024



Alkerden Gateway, Ebbsfleet Garden City. © Craig Auckland

The Case for New Towns

1. **The origins of England's new towns lie in a bold post-war vision.** The original New Towns Committee established by the Minister of Town and Country Planning and chaired by Lord Reith, recognised that building well-planned new communities was not just about housing, **but crucial for national renewal.** Their work laid the foundation for a programme that linked the quality and affordability of homes to the nation's health, education and economic prosperity.² Each wave of new towns that followed was designed to respond to the specific social and economic circumstances of their time, but **all guided by a strong sense of cross-government mission.**
2. **Today, our challenges are no less urgent, and arguably more complex.** Sustained economic growth is the only route to improving national prosperity and delivering new homes and infrastructure is a key part of achieving that. The government's July 2024 policy statement on new towns launched the work of the Taskforce and made clear that boosting housing supply requires more than just reform of the planning system. It demands **a long-term, strategic approach to building large-scale communities** that can support growth, create opportunities and create resilient communities.³ The Taskforce's Terms of Reference reflect this ambition, setting clear objectives: **to create new and expanded places that drive economic growth and increase the supply of new homes.**⁴
3. This chapter explores the scale of the UK's economic and housing delivery challenges, and **how a revitalised future New Towns Programme can help address them.** It sets out how new towns can boost economic output, increase housing supply, and provide a model for delivering large-scale housing developments in the country. It also draws on lessons from previous waves of new towns in Britain, as well as international examples.
4. Many of the benefits associated with new towns, such as coordinated infrastructure, mixed-use development, and high-quality public spaces, are also features of well-planned large-scale developments more broadly. However, as set out later in this chapter, **new towns are well placed to deliver these benefits at scale and with a greater level of strategic coordination and government support.** Their ability to take a **long-term approach at scale** allows for more ambitious placemaking, better integration of housing and infrastructure, and stronger alignment with national economic goals.

² The interim, second interim and final report of the New Towns Committee were published in 1946 as Command Papers 6759, 6794 and 6876, respectively

³ MHCLG, Policy statement on new towns, July 2024

⁴ MHCLG, New Towns Taskforce: Terms of Reference, September 2024

5. The case for new towns set out in this chapter is reflected in the **approach to place selection** in **Chapter 2** and the **central importance of placemaking** explored in **Chapter 3**. The Taskforce's recommendations on how the benefits of new towns can be most **effectively realised including ensuring appropriate levels of funding**, are set out in **Chapter 4**.

Strategic context and challenges

6. This next generation of new towns will be built within a challenging environment, following a sustained period of below-trend economic growth and a long-term undersupply of housing. This section explores the impact of this housing shortage on the wider economy as well as on individuals. It also discusses the key delivery challenges facing new towns and some of the steps that the government has begun to take to address them.

The economic impact of housing shortages

7. **This is a critical moment for the UK economy.** While it continues to demonstrate strengths in key areas, such as its globally-leading services industry, it has persistently struggled to generate consistent

economic growth. This undermines improvements to quality of life, limits the creation of high-wage jobs and investment opportunities, and reduces tax revenues essential for funding vital public services.

8. **An important factor behind this slowdown in economic growth has been a chronic shortage of housing.**⁵ High housing costs mean that many people cannot afford to live near where jobs are created, commuting times increase, businesses struggle to grow, public services face staffing shortages, and communities become fragmented.
9. This can stifle the growth of high potential business clusters and prevent the full benefits of economic agglomeration. This includes benefits for businesses from better matching of workers with employment, closer proximity between suppliers and buyers of goods and services, and opportunities for workers to learn from the experience and productivity of their peers.⁶
10. House price stability in which prices rise in line with wages is good for economic, social and financial stability, however persistent growth above this level creates many economic and social problems.⁷ There is a broad consensus that over the long term, the insufficient supply of homes has contributed to the declining affordability of homes, even after

5 HM Treasury, Spring Statement 2025, March 2025

6 Henderson and Thisse, Handbook of Regional and Urban Economics, Chapter 48: Micro-foundations of Urban Agglomeration Economies, Elsevier, 2004

7 Redfern, The Redfern Review into the Decline of Home Ownership, 2016

taking account of the contribution of rising incomes, interest rates and demographic changes.⁸

11. **The housing crisis also holds back areas that are growing less rapidly.** A number of cities outside the South East of England have high potential economic clusters or show positive trends in employment or productivity, but remain less productive than comparable places in other countries.⁹ Often they lack deliverable land for homes in large urban areas or have barriers to investment such as ageing infrastructure. Combined with lower density urban form, this acts to limit the scale, scope and density of their labour markets and the associated economic agglomeration benefits they could otherwise achieve.
12. **Labour market flexibility has also declined.** Between 1997 and 2018, the likelihood of young private renters moving home and jobs fell by two-thirds. Compared to most other advanced economies, the UK sees higher levels of outward migration from its most productive city region, driven in part by unaffordable housing.¹⁰
13. Graduates from low-income families are less likely to move away from home, in part due to rising rents in cities offering high skilled employment. This curtails their ability to capitalise on higher graduate wage premiums associated with better paying jobs, further exacerbating income

inequality.¹¹ The shortage of housing has a range of other social consequences described below that also play a role in inhibiting economic growth.

14. **In summary, the housing crisis is not only limiting where people can live,** it is limiting what this country can achieve economically on a local and national level, dampening productivity and undermining opportunity. The creation of new towns offers a significant opportunity to unlock economic potential across the country, support a more mobile and inclusive workforce, and help lay the foundations for long-term, sustainable growth.

The social impact of housing shortages

15. **Access to a safe, secure, and affordable home is a fundamental human need.** Yet what was once an expectation for most now remains a distant ambition for too many people across England. The national shortfall in housing continues to deepen, with serious consequences for individuals, families, and as described above, for the wider economy.
16. **The scale of the challenge is significant.** The median average home now costs nearly eight times the annual earnings of an average employee,¹² placing home

8 MHCLG, Analysis of the Determinants of House Price Changes, 2018, cited in GLA, Housing Research Note 10: The Affordability Impacts of New Housing Supply, 2023

9 Stansbury, Turner and Balls, Tackling the UK's Regional Economic Inequality: Binding Constraints and Avenues for Policy Intervention, Contemporary Social Science, 18(3-4), pages 318-356, 2023

10 Stansbury, Turner and Balls, Tackling the UK's Regional Economic Inequality: Binding Constraints and Avenues for Policy Intervention, 2023

11 Overman and Xu, Spatial Disparities Across Labour Markets, Institute for Fiscal Studies, 2022

12 ONS, Housing Affordability in England and Wales, 2024

ownership beyond the reach of many, particularly younger people. Since 1990, home ownership rates among 19 to 29-year-olds have more than halved.¹³ In 2023-24, 1.5 million households in England (6% of all households) contained a concealed household (defined as having at least one additional adult present who would like to buy or rent their own accommodation but could not afford to do so).¹⁴ Over 1.3 million households remain on social housing waiting lists¹⁵ and at least 326,000 people (most of them families with children) are living in temporary accommodation, with 45% of those families remaining in such conditions for more than two years.¹⁶

17. This is not simply a matter of numbers. **Housing insecurity and limited protection from eviction has profound effects on people's lives.** It is closely linked to poorer mental and physical health.¹⁷ For many, this lack of a stable home means that they are forced to live with ongoing uncertainty, undermining their ability to plan and build their lives. For example, there is evidence that worsening affordability and uncertainty around housing is a significant factor in delaying or deterring couples from starting families.¹⁸

18. Housing supply issues are therefore not only shaping the economy, they are shaping the makeup of society itself. Households with children are some of the most likely to live in a home that is cold or with damp¹⁹ and 1.9 million children live in overcrowded conditions.²⁰ Analysis by the Children's Commissioner reveals a stark adverse relationship between housing instability and educational attainment.²¹ This in turn has a negative impact on the wider economic prospects of the country.

19. **We are also failing to address adequately the growing housing needs of older people.** The number of people aged 65 or over is projected to increase by 8.3 million by 2066. Many senior citizens currently live in unsuitable homes, often large properties that they 'under-occupy' and may find difficult to heat or maintain. Only 5,000 – 7,000 later living homes are built annually,²² well short of the 50,000 that has been identified as a minimum necessary response to ease the care crisis and free up under-occupied homes.²³

20. **The costs of the housing crisis undermine public services.** Total expenditure by local authorities on tackling homelessness, including fulfilling the statutory duty to provide temporary accommodation,

13 HM Government, Plan for Change: Kickstarting Economic Growth, 2024

14 ONS, English Housing Survey 2023 to 2024: Experiences of the Housing Crisis, May 2025

15 MHCLG, Table 600: Households on Local Authority Housing Registers, 2024

16 Shelter, Press Release, December 2024

17 POST, Housing Insecurity: Impacts and Solutions, 5 March 2025

18 Centre for Population Change, Housing Uncertainty and the Transition to Parenthood Among Britain's Generation Rent, September 2019

19 House of Commons Library, Health Inequalities: Cold or Damp Homes, 2023

20 National Housing Federation, Briefing: Overcrowding in England, 2023

21 Children's Commissioner, The Impact of Housing Instability on Children's GCSE Grades, 2025

22 Older People's Housing Taskforce, Our Future Homes: Housing That Promotes Wellbeing and Community for an Ageing Population, November 2024

23 Mayhew, The Mayhew Review: Future-Proofing Retirement Living, International Longevity Centre UK, 2022

amounted to £3 billion last year.²⁴

This inevitably draws resource away from other public services and threatens the financial sustainability of many local authorities, now facing significant and worsening pressures. A January 2025 Local Government Association survey of local authority chief financial officers found only 44% were confident of having enough funding to fulfil all their statutory duties in 2026/27, down from 79% expected in 2025/26.²⁵

21. **At the heart of the housing crisis and its consequences is a long-term undersupply of new homes. Despite successive governments' attempts at reform, the current system has consistently failed to meet this challenge.** This goes beyond the total number of homes built. There is a clear need to build the right kinds of homes in the right areas so that individuals from all backgrounds are able to put down roots and build better futures. Owner occupation remains the most prevalent and popular housing tenure²⁶ and must be part of future supply, but affordable rent and social rent housing are also desperately needed to address the fact that many households have been priced out of the benefits of economic growth.

The delivery challenge

22. **For decades the delivery of new homes in England has been shaped by economic cycles, the shifting priorities of different governments, and a planning system that has struggled to keep pace with demand.** While there have been periods of progress, the overall rate of housebuilding has consistently fallen short of what is required to address long-term structural shortages – both nationally and in areas where there is specific need to build more quickly.²⁷ Historically, housebuilding has only reached in excess of 300,000 in periods where significant supply was provided by local authority building, in combination with the delivery of post-war new towns.²⁸ Indeed, the role of local authorities as potentially significant housebuilders could be an important part of any attempt to address the scale of the current housing crisis.
23. **Speculative housebuilding accounted for approximately 60% of new housing according to analysis by the Competition and Markets Authority (CMA).**²⁹ The rest is delivered primarily through affordable housing programmes, planning obligations, and a small but growing build-to-rent sector. However, this model has been constrained by a planning system that is often unpredictable, complex, and costly. The CMA also found that local planning authorities face

24 MHCLG, Local Authority Revenue Expenditure and Financing England: 2023 to 2024, 12 December 2024

25 Local Government Association, Local Government Budget Setting 2025/26: Survey of CFOs, 2025

26 MHCLG, English Housing Survey, July 2021 and December 2023

27 Bramley, Housing Requirements in England Revisited, Heriot-Watt University, 2024

28 House of Commons Library, Tackling the Under-Supply of Housing in England, 1023

29 Competition and Markets Authority, Housebuilding Market Study: Final Report, 2024

significant challenges in how they go about releasing land through the production and maintenance of local plans, undermining the ability to plan strategically.

24. **Developable land is an essential input to building homes.**

The CMA observed that in order to operate effectively in the market, large housebuilders therefore need to hold relatively large amounts of land as a pipeline for future development. It highlighted that this is a symptom of wider problems in the market, principally resulting from the significant time it takes to secure planning permission and the lack of predictability associated with it. It concluded that the planning system is exerting significant downward pressure on the overall number of permissions being granted.

25. **This comes with particular challenges for small and medium-sized enterprises (SMEs) who have fallen in number since the 1980s.**³⁰

Unlike larger firms, SME home builders are less well-placed to absorb the risks associated with planning delays and land acquisition, limiting their ability to contribute to housing supply and innovation. In particular, they tend to rely more on debt finance and are less able to hold land banks which larger builders use to manage risk. Efforts are being made by the government to address current challenges facing SMEs in planning and building more homes, but there are still barriers in the market.³¹

26. **The supply and cost of labour in the construction sector is a challenge to increasing home building.** A recent survey suggested 89% of SME home builders regard labour as a barrier to housing delivery. It also showed that 25% of the existing workforce is reported to be aged over 50 and there are not enough new recruits entering roles through education to replace them.³² The problem is not limited to smaller builders. Analysis for the Construction Industry Training Board estimates that over 200,000 extra construction workers will need to be recruited between 2025 and 2029 to meet demand.³³ The CITB also identified that targeted training will be required to meet this demand for skills, a point further explored in **Chapter 4** of this report.

27. **The delivery challenges for homes are particularly acute when attempting to build at scale.**

For over a century, and across the world, large-scale, well planned new communities of different types have been part of the planning toolkit for addressing housing and other development needs.

28. **No national programme has succeeded in bringing new communities forward at the scale needed to meet housing needs**

since the original waves of New Town Development Corporations concluded between 1977 and 1992 and the Urban Development Corporation programmes were wound up in the mid-late 1990s. This was the case through the period of

30 Home Builders Federation, Reversing the decline of small housebuilders: Reinvigorating entrepreneurialism and building more homes, 2017

31 MHCLG, Government backs SME builders to get Britain building, 2025

32 Home Builders Federation, State of Play: Challenges and Opportunities facing SME home builders, 2024

33 CITB and Oxford Economics, The Construction Workforce Outlook: England – Labour Market Intelligence Report 2025–29, 2025

regional planning up to 2010 and the localism approach that followed it. Most larger sites remain below 1,500 homes³⁴; far short of the 10,000 home threshold identified as necessary to deliver the aims of any future New Towns Programme.

29. **The scale of infrastructure required for large-scale developments can be more costly than expected at the outset which often renders them unviable without public sector support.**

The Taskforce has been made aware of a number of large-scale projects which have stalled or been abandoned altogether, with private sector actors withdrawing from the master developer role due to the increase in development costs since 2011.³⁵ There have also been concerns at the slower pace of build out and the limitations of the planning system in achieving a wider mix of housing types and tenure.³⁶

30. **The present local planning system combined with the speculative development model appears generally incapable of bringing forward the largest scale forms of development.**

Even the exceptions fall short of what would be achieved by a new town and rely on joint ventures with the public sector, or are underpinned by large landowners and other organisations that have specific long-term legacy or stewardship goals, in locations that can take advantage of existing infrastructure. Local plans also

typically look ahead only 15 years, while new towns require a planning horizon well beyond this.

31. Additional challenges are raised by the fact that planning policy requires that local plans be demonstrably deliverable with sites having at least a reasonable prospect of being viably developed at the point envisaged by the plan. This can create a 'catch-22' scenario, where public funding and intervention needed for large-scale developments are often contingent on planning approval, yet planning approval is difficult to secure without clear evidence of deliverability.

Steps already taken

32. In its analysis, the CMA concluded that improvements are needed to the planning system to counteract the time, expense and uncertainty associated with navigating it and in turn increase the number of planning permissions sought and granted each year, and thereby secure sufficient land for development. The Taskforce acknowledges that the **government is making concerted efforts to address this**, not least by publishing the **new National Planning Policy Framework (NPPF)**³⁷ and revising the standard method for local housing need³⁸. However, there is likely a ceiling on how many homes these measures alone can bring forward without further government intervention.

34 Lichfields, Start to Finish, Third Edition, 2024

35 BCIS, Tender Price Index – Estimate of Tender Price Inflation, 2025

36 Rt Hon Oliver Letwin, Independent Review of Build Out Rates, Final Report, 2018

37 MHCLG, National Planning Policy Framework, December 2024

38 MHCLG, Planning Practice Guidance: Housing and economic needs assessment, 2024

33. **The Planning and Infrastructure Bill** also proposes to take steps to improve certainty in decision-making, address nature recovery, streamline process for infrastructure, and support the preparation of strategic plans. The latter sits alongside emerging proposals, outlined in the English Devolution White Paper, for Strategic Authorities, empowering mayors, and local government reorganisation.³⁹
34. Through the 2025 Spending Review the government has announced strengthened measures for social housing providers which should improve conditions for growth, including £39 billion investment in the Social and Affordable Homes Programme (SAHP), a ten-year rent settlement, funding for the Warm Homes Plan, and equal access for social landlords to building safety remediation funding.⁴⁰
35. **In addition to these positive policy changes what has been missing in recent decades is the means or ability to identify and allocate land to then deliver large-scale new communities, aligned with the necessary infrastructure.** The lessons the Taskforce learned from past programmes suggests delivery on this scale can only come from robust government intervention. The next generation of new towns provides the opportunity to reshape the way that these large-scale developments are approached and the following section sets out the benefits that new towns have to play in addressing the challenges set out above.

The benefits of new towns

36. The Taskforce believes that **new towns can play a crucial role in addressing the key challenges set out above**, whilst recognising that many of the issues apply across the whole economy, not only in places where new towns are the best means of catalysing potential growth. Although some of these benefits are similar to any co-ordinated attempts to build new housing at scale, new towns are not simply a mechanism for delivering more new homes, they are an opportunity to shape the future of how and where we live and work.
37. **New towns represent a bold and forward-looking response to some of the most pressing challenges facing the country today.** By planning and delivering new communities at scale, with confidence that the right infrastructure and services will be provided when they are needed, new towns can attract investment and unlock a wide range of economic, social, and environmental benefits. This is explored further in both the placemaking principles in **Chapter 3** as well as recommendations on delivery and funding in **Chapter 4**.

39 MHCLG, English Devolution White Paper – Power and Partnership: Foundations for Growth, December 2024

40 MHCLG, Letter from Housing Minister to registered providers of social housing: Spending Review 2025, 12 June 2025

38. **The core benefits of new towns lie in the strategic contribution that each makes within their region or sub-region and the significance these have in addressing economic and housing needs in those places,** sitting alongside, the provision of homes and economic development that will be delivered through the local planning system. This can mean bringing forward new towns in locations where no large-scale development has otherwise been proposed; equally, it can involve places where growth is already identified in local plans but where a new town can significantly increase the ambition, scale and pace of what was otherwise proposed.
39. **Each new town should be distinct, with its specific benefits shaped by a combination of its strategic location and how it is planned and developed.** New towns may be freestanding new communities, expansions to existing towns, or involve developing derelict or under-utilised land to densify existing urban areas. The example of previous programmes demonstrates that the performance and role of each new town often evolves over time, so that their combined effect over the long term is significant.
40. **The post-war new towns are now home for 2.8 million people and include many significant centres of economic growth.**⁴¹ For example, Milton Keynes now boasts a thriving economy with a Gross Value Added of £13.3 billion of GDP in 2022, and the fourth highest number of start-ups per 10,000 population in the country.⁴² Initially planned to accommodate 250,000 people, Milton Keynes is now the third fastest growing city in the UK over the past decade according to the Centre for Cities, with a current population of just under 300,000.⁴³
41. Peterborough, another new town from the 1967 third-wave generation, has been the fourth fastest growing city in the UK in the past decade and had the seventh highest number of start-ups in 2023. The opportunities for new towns to contribute to growth is also seen in Northampton and Warrington, which are both in the top ten cities in the UK in terms of the highest number of active businesses.⁴⁴
42. **The government has set the expectation that each new town should contain at least 10,000 homes.** This minimum size threshold is important. It ensures new towns will deliver beyond what is currently being provided by the market and planning system as it stands, meet ministerial aspirations to take a new system-wide approach to building large new communities; and will make a significant contribution to the government's housing ambitions. It is therefore important to be aware of the wider strategic context and challenges in which new towns will be built, as well as setting out the significant benefits offered by the new towns model.

41 TCPA, A new future for new towns: Lessons from the TCPA New Towns Network, 2021

42 Centre for Cities, Cities Outlook 2025, 2025

43 Centre for Cities, Cities Outlook 2025 Blog: 'Where population is growing – Milton Keynes, Northampton and Peterborough', 2025

44 Centre for Cities, Cities Outlook 2025, 2025

43. **The scale of new towns necessitates land assembly and the delivery of housing and infrastructure beyond the capacity of individual home builders or developers alone – they need to be driven by strong delivery bodies.** This approach enables accelerated build-out rates, allowing for a quicker response to housing demand. By fostering investor confidence and enabling long-term planning, next generation of new towns not only aims to address the immediate shortage of homes but also lays the groundwork for a more resilient future housing supply. Through connecting the design, delivery and ongoing stewardship of the places that are created, existing and new residents can be effectively engaged in building strong, healthy, safe and balanced communities. **Further details on the Taskforce’s recommendations for delivery and funding of new towns are set out in Chapter 4.**

44. **To ensure that the benefits unique to new towns are realised, the Taskforce has agreed that new towns must:**

- a. **support and unlock potential economic growth**, including through supporting greater labour mobility and opportunities for job creation, supporting the construction industry and related supply chains to innovate, expand and deliver more efficient outcomes, and unlock growth where it is currently constrained by housing issues;
- b. **accelerate housing delivery** through the provision of new homes that people need, driven by strong delivery models, including a mix of housing tenures that

support diverse communities, affordable homes and high-quality social housing, all supported by appropriate levels of funding;

- c. **be set within a strategic perspective** so each new town addresses changing population and growth needs within its wider region, and in turn informs longer term planning and infrastructure development
- d. **deliver strong communities** grounded in placemaking principles, including high-quality infrastructure, services, and amenities, ensuring residents have access to education, healthcare, transportation, cultural and sporting facilities, and green spaces; and
- e. **create environmentally resilient places**, contributing to the government’s net-zero agenda by integrating environmentally sustainable design and buildings, enhancing nature, low-carbon infrastructure and environmentally responsible development, including mitigating flood risks.

Economic benefits

45. New towns can bring a range of economic benefits, including boosting economic output and unlocking investment in the residential sector.

Boosting economic output

46. **The economic benefits of increasing house building are well established.** In 2023, the construction sector in Great Britain generated £139 billion in new work (including infrastructure, public, commercial and industrial), with £53.1 billion of that directly from

building new homes.⁴⁵ The Office for Budget Responsibility (OBR) has estimated that delivering an additional 170,000 homes by 2029/30 through residential planning reform would boost the economy by £6.8 billion, while also increasing tax revenues and reducing public debt interest by £3.4 billion.⁴⁶

47. As explored in more detail in **Chapter 2**, the economic benefits of new towns will vary depending on the type of economic geography of each location and the scale and form of the new town.
48. **Where new towns are built in or near high-growth areas, they can help relieve pressure on overheated housing markets, improve affordability, and support labour market access.** In these areas, high housing and transport costs are eroding real wage gains and making it harder for employers to attract and retain staff. This includes recruiting staff for essential public services⁴⁷ with knock on impacts on public service delivery.⁴⁸ The shortfall in housing applies particularly to London, which has for decades seen housing delivery at rates below that which is planned or needed,⁴⁹ as well as many other parts of the south of England.⁵⁰
49. A reduction in house prices relative to incomes of just 1% across London could increase Gross Value Added (GVA) by £7.3 billion over 10 years and productivity benefits for overheating economic centres can arise from improvements to housing supply that occur some distance away.⁵¹ The government supports the work of the Cambridge Growth Company to deliver strategic developments to drive sustainable growth and boost the important knowledge economy in Greater Cambridge. The Taskforce has engaged constructively with the Cambridge Growth Company team, led by Peter Freeman, to understand how it is approaching a strategic initiative that has similar aims to new towns.
50. However, this is not just an issue for the South East; cities such as Greater Manchester, Bristol and Leeds, to name just some examples, are also economically growing areas being constrained by housing shortages.⁵²
51. **In places that are growing less rapidly but have economic potential** a new towns intervention can create new, well-connected urban communities and expand the 'effective size' of these cities. This leads to larger, more flexible and productive labour markets, supporting agglomeration benefits as a result of people and businesses being situated close to each other and can help reduce social inequalities.

45 ONS, Construction statistics, Great Britain: 2023, November 2024

46 OBR, Economic and Fiscal Outlook, March 2025

47 Stansbury, Turner & Balls, Tackling the UK's regional economic inequality: Binding constraints and avenues for policy intervention, 2023

48 OECD Economics Department, Working Papers No. 867: Improving the Functioning of the Housing Market in the United Kingdom, 2011

49 Katkowski KC et al., London Plan Review: Report of Expert Advisers, 2024

50 CASE, The Housing Challenge for the Next Government: Meeting the housing supply delivery gap, 2024

51 NERA, Housing Affordability and Economic Productivity, September 2024

52 MHCLG, English Housing Survey 2023 to 2024: Drivers and impacts of housing quality, 2025

52. **By providing more homes, especially for those who move to the area in search of work opportunities, new towns can make it easier to match the supply of quality housing with rising demand**, without pushing up the prices existing housing stock. This can help lower-income households, especially renters, who are vulnerable to being priced out as the town develops.^{53, 54}

53. **In places not currently fast-growing or with untapped potential from increased densification**, new towns are unlikely to be the best way of unlocking potential growth. However, with the right mix of interventions as part of a broader, integrated strategy; investment in housing, infrastructure and the local environment can still play a vital role in improving economic prospects. It is therefore essential that the government continues to take action to stimulate growth in these places, though this is beyond the scope of this report.⁵⁵

Unlocking investment

54. **There is a significant appetite to invest in the UK's residential sector and to grow the supply of new homes**. However, this potential has been constrained by a lack of consented and deliverable land available for investment, particularly in areas where there are

uncertainties over planning or a lack of existing infrastructure to support larger populations.

55. Registered providers have also faced financial pressures in recent years, due to funding and policy uncertainty combined with building safety costs. This has undermined their ability to support new build affordable homes either through s.106 agreements or direct development.⁵⁶ However, as mentioned above, the government's Spending Review package for social housing providers aims to respond to these challenges and should improve the conditions for registered providers to invest in new supply.

56. **As explored in more detail in Chapter 4, new towns can play a key role in addressing market failures by unlocking greater amounts of land for development**. This is due in part to the long-term certainty of planning consent and supporting infrastructure provided by the new towns model. The 2018 Independent Review of Build Out Rates identified few capital constraints to the supply of new housing, with strong appetite from both banks and non-bank finance for increased lending to well-structured housing projects and equity finance from commercial investors to expand into the rented sector.⁵⁷

53 UK Collaborative Centre for Housing Evidence, Understanding housing aspirations and choices in changing contexts – A mapping review, March 2018

54 Social Mobility Commission, Spatial agglomeration, productivity and inequality, Think Piece, August 2024

55 DCLG, Interventions in housing and the physical environment in deprived neighbourhoods: Evidence from the New Deal for Communities Programme, February 2010

56 House of Commons, The Finances and Sustainability of the Social Housing Sector: Government Response, Third Special Report of Session 2024–25 HC 762, 2025

57 Rt Hon Sir Oliver Letwin, Independent Review of Build Out Rates, Draft Analysis (Para 5.17), 2018

57. **Despite current barriers, annual investment in land for residential development amounts to £10.1 billion in England.**⁵⁸ Master developer joint ventures, backed by domestic and international investors, have recently been announced with Homes England to unlock the potential of large sites.⁵⁹ There have also been significant flows of investment into UK living sectors, including purpose built student housing, build-to-rent (including single family housing) and senior living.⁶⁰
58. **New towns can further expand this investment.** Land which would not otherwise be identified through the normal system of local plans, often due to short planning timeframes or difficulties in demonstrating how land assembly or infrastructure needs are addressed, will be made available for a wider range of development, not just those arising from the speculative housebuilding model. This includes new opportunities to invest in the delivery of new homes, business space, and community facilities. These developments will benefit from early certainty around infrastructure investment, giving investors and developers the confidence that essential infrastructure will be in place from the outset.

Housing supply benefits

59. New towns will also bring a range of housing supply benefits. This includes both directly addressing shortages, broadening tenure mix, and providing more affordable housing.

Addressing the housing supply shortage

60. **New towns can play a vital role in tackling the national housing shortfall.** By delivering homes at a scale that exceeds what is typically achievable through the local planning system, they can make a significant contribution to meeting long-term housing need. These developments will help to moderate house price growth and improve affordability over time.
61. The OBR has found that sustained increase in housebuilding of all tenures will help to ensure house price to income ratios remain stable over time.⁶¹ A review by the Greater London Authority (GLA), which looked at seven different studies, found that building new housing, even at market rates, improves housing affordability overall, including freeing up other homes as people move.⁶² By significantly adding to the housing supply over time, new towns will therefore play a role in making housing more affordable, particularly in the areas where they are built.

58 HBF, The Economic Footprint of House Building in England and Wales, 2024

59 By Lloyds / Barratt Redrow (MADE) and Oaktree Capital Management / Greycoat Real Estate

60 Knight Frank, Next Gen Living, 2025

61 OBR, Working Paper No.6: Forecasting House Prices, 2014

62 GLA, Housing Research Note 10: The Affordability Impacts of New Housing Supply, 2023

Broadening the mix of homes within new communities

62. Although the requirement for new developments to comprise a mix of housing has been a longstanding objective of planning policy,⁶³ it is not always possible to achieve this on smaller sites. Individual home builders may also focus, in their product design and brand, on specific sectors or sub-sectors of the market. This makes it difficult for them to provide bespoke products or diversify their offer to other sectors, even on larger sites.
63. **New towns offer the opportunity to deliver a more diverse and inclusive mix of housing types and tenures.** Their scale and delivery model means they can accommodate a wide range of housing. This includes homes for market sale, private rent, affordable housing, and specialist accommodation for students, families, and older people, all within a single coherent masterplan.
64. In providing this mix of housing, especially for older people, **new towns can play an important role addressing the acute shortage in supply of different types of accommodation**, and in doing so release family homes with ripple effects across the wider housing market.⁶⁴

More affordable homes

65. **The housing crisis demands a significant boost in the supply of affordable homes**, including those for social rent, the most affordable and secure tenure of housing for people on lower incomes. Estimates of need vary, but recent research suggests at least 90,000 social rented homes a year may be required.⁶⁵ New towns, delivered at scale and over a sustained period, can make **an important contribution towards the delivery of a greater number of new affordable homes.**
66. A substantial proportion of affordable housing (44-47% in recent years) is currently delivered through section 106 agreements, which capture land value uplift without direct government grant funding.⁶⁶ However, in addition to the challenges discussed earlier in this chapter that registered providers face, the model is under pressure due to viability difficulties.⁶⁷ **New towns can improve viability by unlocking land in areas which are otherwise unlikely to be released under the current planning system** and co-ordinating public and private investment to unlock long-term value.⁶⁸
67. **In doing so, they can help ensure that affordable housing is not an afterthought, but a key element of delivery.** This boost can complement the supply that is delivered through the government's

63 See for example MHCLG, National Planning Policy Framework, Paragraph 63, 2024

64 Older People's Housing Taskforce, Our Future Homes: Housing that promotes wellbeing and community for an ageing population, November 2024

65 Bramley, Housing Requirements in England Revisited, 2024

66 MHCLG, Affordable housing supply in England: 2023 to 2024, November 2024

67 This includes the Section 106 Affordable Housing Clearing Service

68 JRF, The missing piece: the case for a public sector master developer, 2023



Appleby Blue Almshouse, London. © Philipp Ebeling / Witherford Watson Mann Architects

affordable housing programmes, including via Homes England, and direct by some local authorities.

68. The Taskforce has set out more detailed recommendations on the potential role of social and affordable housing in **Chapter 3** on placemaking principles and further detail on the recommended approach to funding, including the potential role of grant funding is set out in **Chapter 4**.

Wider benefits

69. Further benefits should arise from the way in which new towns are planned and delivered, irrespective of their location, **as they add social value, drive innovation and**

competition in housebuilding, as well as accelerating delivery and increasing build out rates.

Creating social value through well-planned new communities

70. **New towns provide a rare opportunity to plan holistically from the outset**, ensuring that homes are delivered alongside all of the infrastructure, services, and amenities that communities need. This includes schools, healthcare facilities, green spaces, public transport, and cultural and recreational assets.
71. The New Economics Foundation reviewed evidence which suggested that personal wellbeing improves when people engage daily in five key activities: building social relationships, being physically

active, staying present and mindful, continuing to learn, and giving to others. A person's ability to do these things is closely linked to where they live, the access they have to jobs, services and amenities, and the quality of the built environment that surrounds them.⁶⁹

72. Providing stable housing, particularly a movement from temporary accommodation to social housing, can have a significant impact on wellbeing. **The recently published report from Homes England sets out how it is seeking to embed social value in to housing appraisals,** including the consideration of mental health and community integration.⁷⁰ This approach of considering broader social value rather than only economic value in public investment decisions is also reflected in HM Treasury's review of the Green Book.⁷¹ The review highlights the need for a more balanced and inclusive approach to appraising value for money, especially to support regional equality and place-based investment.
73. Specific urban design failures in some post-war new towns, and in other large-scale urban developments, shows however that realising the opportunity is not a given and will require care.⁷² **This is why the Taskforce has made specific recommendations in**

Chapter 3 for core placemaking principles that should inform the development of any new town, including a specific recommendation on affordable and social housing.

74. Research has shown that well-designed places generate a "planning premium". This refers to a measurable uplift in social and economic value, derived from hedonic price modelling. By applying strong town planning and urban design principles to a pipeline of 300,000 new homes a year over a decade, supporting cohesive, liveable communities, the premium could exceed £50 billion.⁷³ A rich mix of public spaces also plays a vital role in the social life of communities, helping to create experiences and add social value.⁷⁴ Although this premium can apply to any well delivered housing development, **new towns are particularly well-placed to realise the planning premium and enhance wellbeing by embedding design quality and effective place making at every stage of development.**

Driving innovation and competition in housebuilding

75. **The current housing market is dominated by a small number of larger developers with limited innovation and competitive weaknesses.**⁷⁵ A generation of new towns will provide a long-term supply of land for housing

69 Aked, Marks, Cordon and Thompson, Five Ways to Wellbeing: Communicating the Evidence, New Economics Foundation, 2008

70 Homes England, Measuring Wellbeing Impacts of Temporary Accommodation and Social Housing, 2005

71 HM Treasury, Green Book Review 2025: Findings and Actions, 2025

72 Department of Planning, Oxford Brookes University / DCLG, Transferable Lessons from the New Towns, 2006

73 Public First, The Planning Premium: The Value of Well-made Places, 2024

74 Mean and Tims, People Make Places: Growing the Public Life of Cities, JRF and Demos, 2005

75 CMA, Housebuilding Market Study: Final Report, 2024

development which can be done in a way which broadens access to multiple different developers at any one time. This includes SMEs which can be given the confidence of a serviced pipeline that mitigates the risks inherent in the local planning system, helping them boost their capacity, and have the confidence to innovate.⁷⁶ This presence of multiple housebuilders in one new town will also increase the competitive pressure for them to deliver on quality and customer service.

76. **The long-term stable pipeline of land that new towns can create**

for construction will also provide a platform for employers in the construction industry to invest in growing a skilled workforce and address the shortages that have acted as a barrier to them expanding their contribution to housing supply.

77. **There remains weak competitive pressure in the wider housebuilding market**

to drive up innovation or build quality, and a disconnect between the types of homes that housebuilders are incentivised to build and the homes peoples need. Whilst there has been some encouraging innovation across the housebuilding sector, including adoption of some modern methods of construction (MMC) and improvements in sustainability, there is still room to go further.

78. For example there is currently limited experimentation in the **use of materials that are bio-based**

and recycled. This limits the options for housebuilders to use sustainable and innovative low-cost technologies which are seeing adoption abroad. Several pioneers in MMC, notably in the modular housing sector, have exited the market in recent years. A key reason for this has been the lack of sustained and predictable demand, which made it difficult to maintain a viable business model.⁷⁷ This highlights the challenges of driving innovation within the current housebuilding system that new towns can play a role in addressing.

79. These skills challenges and the opportunities for innovation in new towns delivery are discussed in further detail in **Chapter 4**.

Accelerating delivery and increasing build-out rates

80. **The new town model, particularly when delivered through empowered development corporations, can overcome many of the barriers that slow housing delivery.**

By co-ordinating infrastructure investment, land assembly, and planning approvals, new towns can enable faster build-out and reduce reliance on the speculative development model as well as building master developer capacity, a role which is currently viewed as unattractive by some parts of the private sector.⁷⁸

81. Existing planning policy and guidance already encourages local plans to provide homes with a range of tenures and sizes on allocated

76 OECD, Economics Department Working Papers No. 867: Improving the Functioning of the Housing Market in the United Kingdom, 2011

77 Housing, Communities and Local Government Committee, Oral evidence: Capacity of the construction sector, HC 747, March 2025

78 DLUHC, Homes England Public Bodies Review 2023, April 2024

sites and to take account of how many home builders are active on sites.⁷⁹ However, the Independent Review of Build Out found these measures to be largely passive and limited in impact. **It recommended a more proactive approach, particularly through the use of development corporations on larger sites**, which the Taskforce has recommended as the delivery model for new towns.

82. The government has set out its proposed approach for accelerating build-out rates through encouraging greater tenure diversity on new strategic sites, advocating for greater transparency on build-out rates, and highlighting the use of strategic masterplanning through development corporations. This approach would help de-risk development, deliver essential economic and social infrastructure, and divide larger sites into smaller parcels. These parcels could then be delivered through a range of models to support faster build out.⁸⁰
83. **As explored in more detail in Chapter 4, the masterplanner approach should lead to increased diversity in housing types and tenures and multiple homebuilders.** This in turn reduces the risk of local market saturation and allows for higher build-out rates. For example, on large sites where 40% of homes are affordable housing, build-out is on average twice as fast as when the proportion is 10-19% and there is

a clear positive relationship between the number of outlets on site and the pace of house building.⁸¹

Unlocking the value of land

84. Importantly, **new towns offer a strategic opportunity to capture and reinvest land value uplift for the benefit of communities.** As explored later in this report, the continued development of a new town will lead to an increase in land value as it attracts home buyers and investors. This value can be captured and reinvested as the town continues to grow, funding affordable housing, public services, and community assets, so the benefits of growth are shared widely.
85. The local planning system is often fragmented, with a lack of effective cross-border working, and can be constrained by the limitations of section 106 and Community Infrastructure Levy, typically relying on individual landowners and developers to bring forward development.⁸² In contrast, **new towns can take a long-term approach**, aligning land use, infrastructure, and investment from the outset to maximise public value.
86. **Further detail on the recommended approach to delivering these benefits, including the approach to land value capture is set out in Chapter 4 of this report.**

79 MHCLG, National Planning Policy Framework, December 2024 and Planning Practice Guidance: Housing and economic land availability assessment, 2019

80 MHCLG, Planning Reform Working Paper: Speeding Up Build Out, May 2025

81 Lichfields, Start to Finish, Third Edition, 2024, cited in MHCLG, Planning Reform Working Paper: Speeding Up Build Out, May 2025

82 Shepherd, McAllister and Wyatt, State regulation of land financialisation: land promoters, planning risk and the land market in England, 2022



Poundbury, Dorchester. © ADAM Architecture

Lessons from the history of UK new towns and international case studies

87. **The Taskforce has considered the rich history of government delivery of large-scale new communities in the UK**, including the post-1945 new towns and the Urban Development Corporations of the 1980s and 1990s. Although not without specific shortcomings, they demonstrably changed the economic geography of the country and are now home to almost three million people.
88. The Taskforce also considered other, less impactful, initiatives such as Eco Towns and Garden Communities to understand why they have not yet fulfilled their potential. The lessons arising were set out in the Interim Update in February 2025.
89. In addition, the Taskforce considered evidence on how new town forms of development are progressed overseas, drawing on a body of research and case study presentations from those involved in their delivery. This included examples from Austria, Denmark, the Netherlands, Spain, Sweden, and the United States of America.
90. The lessons from past programmes and from international experiences have informed the work of the Taskforce in ensuring that any future New Towns Programme will avoid some of the pitfalls of the past. It also provides the opportunity to build on recognised successes, while responding to the unique economic and social context of England today.
91. **These lessons are wide-ranging and** shaped by varying economic, political, and social contexts. There are also exceptions that challenge these general patterns. Taking all of this into account, the Taskforce has identified ten key lessons that it believes should inform the shape of any future programme and which have helped inform the recommendations in this report:

1	A national vision Clarity on benefits and a national consensus to underpin long-term delivery and with their position clearly defined in national planning policy.
2	Control of land Unified land ownership led by public or private sectors to reduce the complexities and risks for land assembly and development.
3	Clear strategic rationale Locations should be strategically rational well connected internally and to wider networks supported by existing or planned infrastructure.
4	Publicly-led with long-term funding Delivery at scale typically requires public sector leadership - and often funding - to create the conditions that attract private investment.
5	Flexible and resilient New Towns are long-term projects that take decades requiring resilience to change with flexible and future-proofed masterplans.
6	Healthy and safe communities Plans must create neighbourhoods and centres with social infrastructure and a safe public realm that builds whole and desirable communities.
7	A mix of homes Balanced sustainable communities need a mix of housing types and tenures for a diverse demographic and meet the needs of different groups.
8	Business creation growth and employment New Towns can be important in subregional economies by helping labour mobility to productive areas or stimulating areas with growth potential.
9	Local ownership New towns might not always be originated locally or have local support at the outset but a local stake in their shaping and delivery is needed for long-term success.
10	Long-term stewardship Having well-maintained and financially-sustainable community assets needs to be planned for at the outset.

New towns public engagement events

The Taskforce delivered a series of engagement events in three new towns built in previous waves to deepen its understanding of where lessons can be learned from the post-war programmes.

Each event was held in a new town from each of the three previous 'waves' of post-war new towns:

- Stevenage, Hertfordshire, designated 1946
- Redditch, Worcestershire, designated 1964
- Warrington, Cheshire, designated 1968

These events were attended by a range of local leaders, business owners and residents, who all brought their own reflections on what it is like to live in a post-war new town. The Taskforce gained valuable insights through these events, including testing and refining the placemaking principles which it published in February.

There were many rich discussions at the events, but some similar themes ran through them all. These included the importance of ensuring that new towns each have a distinct feeling of place and identity, which is guided by a consistent long-term vision.

It was also clear that the importance of ensuring that new towns attracted businesses and provided adequate commercial space was crucial to ensure that new towns were not just housing developments, but drivers of economic growth and jobs. As set out in **Chapter 1**, Warrington is a particularly good example of a new town which has had significant success as a place which is attractive for businesses to set up in.

The importance of strategic location, particularly the advantages of well-connected transport infrastructure, both within the town and to access wider opportunities throughout the region also came through strongly in discussions and all three towns had connections to major cities.

Previous waves of new towns were built in very different contexts and set out to address very different challenges. For example, all three of the new towns where the Taskforce held engagement events were designed on the assumption that car travel would shortly replace other forms of transport, particularly for commuting patterns, something that has not come to pass and which previous generation of new towns are now having to adapt to.

Perhaps the clearest theme of them all was the evident pride that residents had in the places they lived, accompanied by a desire to continually improve their communities. This reinforces the importance of ensuring that new towns are not just housing developments, but thriving communities, built to last.



Rochester Riverside. © Craig Auckland

Recommended Locations for New Towns

92. As set out in its Terms of Reference, the core purpose of the Taskforce is to recommend locations for the next generation of new towns.
93. **There is no settled definition of new towns in legislation.** Instead, previous waves of new towns programmes have taken specific approaches to address the particular social and economic circumstances of their time. For example, the immediate post-war new towns were built primarily to alleviate overcrowding in major cities and the 1960s new towns had an expanded purpose of spreading economic activity more evenly around the country and integrating modern urban planning.
94. **A crucial part of our work has therefore been to clearly define the purpose of this generation of new towns to ensure they address the challenges of today.** We have learned from the past to design an approach to place selection and delivery which will recommend the best possible locations for new towns. We share the Attlee Government's ambition to boost the supply of homes, but following the remit set by the government, we have prioritised locations which meet the two essential criteria of:
 - a. Supporting or unlocking economic growth; and
 - b. Addressing present or anticipated strong housing demand relative to supply.
95. **Traditionally, new towns have been considered as standalone sites,** brand new contiguous places built on unused greenfield or brownfield land, at the scale of a town – usually 10,000 homes or more. We have used this as our starting point in identifying new towns, but in order to consider all potential ways of achieving the government's objectives, have **also considered urban extensions of existing towns and cities and areas** where housing delivery already in the planning pipeline can be accelerated through new towns designation.
96. Throughout our investigations into potential new town sites and through our Call for Evidence, it has also become clear that the **more traditional standalone new town development would be most appropriate for areas of the country** where there is a greater immediate need to address housing shortages and our recommendations reflect this. This includes the South East as well as parts of the South West and West Midlands.
97. Given the importance of ensuring that the whole country benefits from this level of intervention, we have also considered sites which are **more able to directly address the needs of places where in our view city regeneration is the key priority** and a new, well-planned and well-connected, community of scale could meet housing need and contribute to economic growth, for example in Northern cities.

98. **These are still sites which are contiguous and clearly recognisable as distinct places, in line with the new towns model,** and include the creation of new distinct districts within cities where productivity is being undermined by housing shortages. These areas also provide an opportunity for the government to build on the success of Mayoral Combined Authorities (MCAs) and utilise their powers to ensure that benefits of new towns are spread across their regions.
99. Although these new towns cover a range of approaches, **they could all be characterised by the key elements of the new towns vision.** They could be built at scale with land assembly and housing delivery beyond the capacity of the private sector, driven by a strong single delivery body, most likely a development corporation and built in line with leading placemaking standards which will ensure that the needs of existing and new communities are met and create a distinct feeling of place.
100. In addition to this shared vision, different types of new towns will offer distinct benefits which best suit the needs of each location. The recommended locations in this report have therefore also been selected to:
 - a. **Relieve growth constraints in ‘overheating’ areas** – where there is already high productivity, but housing shortages are restricting labour mobility and therefore preventing the UK from capitalising on existing areas of economic strength;
 - b. **Attract investment and talent to places which are already growing, but not yet overheating** (for example, places with high potential industrial clusters, or high existing trend growth in employment and/or productivity), creating virtuous cycles of growth;
 - c. **Support agglomeration in England’s major cities**, when combined with strategic transport investment – helping to create bigger, more fluid labour markets which are more productive, narrowing the gap between the UK’s major cities and their international counterparts.
101. In considering different typologies for new towns, the Taskforce has also considered what kinds of interventions from the government these would need. Standalone settlements would likely need greater levels of infrastructure investment and may take longer to deliver due to the need to establish local amenities, utilities and transport networks. However, placing new towns in areas with higher house prices can maximise land value capture, leading to better returns on government investment.
102. More detail on these approaches set out in **Chapter 4**. There may be opportunities for the government to explore using tools such as Joint Ventures where significant development is already underway and being carried out in line with high placemaking standards. As set out more fully below, the Taskforce has also placed a particular emphasis on sites which are in a position to deliver homes more quickly, to reflect the urgency of the challenges we have set out to solve.

103. **For sites where we recommend expanding existing towns and cities, there may be more development momentum and some existing infrastructure.**

There will still be a key role for the government to drive the regeneration and expansion of this infrastructure. There is also a crucial role for the government to work with MCAs to ensure development in urban areas can achieve the objectives of a future New Towns Programme.

While house prices may generally be lower in towns and cities outside London and the Southeast, these locations could provide excellent opportunities to support growth in England's major cities by attracting investment and talent and supporting agglomeration.

104. In addition to the selection approach set out above, **the Taskforce has also assessed locations based on the following additional criteria:**

- a. Proportion of land in large single ownership;
- b. Existing or potential transport connections and relevant infrastructure support;
- c. Value for money on any public investment;
- d. Ability to move into planning stages within this Parliament;
- e. Capacity to continue to support sustained population growth into the future;
- f. Ability to deliver an acceptable ratio of affordable housing (a target of 40% affordable of which half is social housing)

- g. Good placemaking potential, demonstrating climate resilience and the opportunity to deliver quality green spaces.

105. The Taskforce is satisfied that each of the selected sites meet the identified criteria and, importantly, possess unique and special characteristics that justify selection.

106. The Taskforce acknowledge that over time and with continued resourcing, further compelling sites could be identified. We needed to make decisive progress with the information available, and the Taskforce has prioritised the identification of twelve sites. The government has the scope to explore others in the future, building on our work.

When will new towns deliver?

107. **Recommendation 1: We recommend that the government consults on the 12 recommended locations in this report as the next generation of new towns, with some sites able to begin delivery within this Parliament.**

108. There is a balance to be struck between starting work quickly in overheated housing markets and pursuing bigger growth opportunities across the country, which may take longer to deliver. The Taskforce has prioritised twelve sites where housing can be delivered quickly and with high quality placemaking standards. **These sites are ready for early development, with some underway and able to be accelerated within this Parliament.** This will enable the government to demonstrate the effectiveness of the new towns approach at an

early stage, providing confidence in pace of development and a platform for the government to make further investment in future waves of new towns.

109. The government is making changes to drive housebuilding, including a refresh of the National Planning Policy Framework, the reintroduction of ambitious local housing targets and making it easier to release grey belt land for development. It is important the government ensures that any new towns intervention offers additional value when a settlement is already being taken forward, or may be better suited, to alternative national housing programmes, such as the New Homes Accelerator Programme, Garden Communities and the Homes England housebuilding pipeline.
110. **Recommendation 2: We recommend that the government should reform its national infrastructure and planning processes to support its strategy for bringing forward future waves of new towns.** Further details on the specific reforms we propose are set out at Chapter 4.
111. As highlighted in **Chapter 1, new towns offer a significant opportunity to prevent piecemeal development, which can strain existing infrastructure and lead to poorly planned expansions.** The government established this Taskforce to quickly and objectively evaluate the national landscape for new town development. To support future waves of new towns, robust national processes will need to be put in place to support careful identification and planning for infrastructure. We welcome strategic changes in national infrastructure and planning, including the rollout of statutory Regional Spatial Development Strategies in the Planning and Infrastructure Bill.
112. **The implementation of these strategies should involve elected local leaders and communities, supported by a central co-ordination tool and national data infrastructure.** Leveraging spatial data, cross-government strategies, emerging trends, and the upcoming infrastructure pipeline will help identify future new town opportunities. The Taskforce noted that some high-need, high-growth areas were hindered by utility constraints, particularly water. We commend the government's initiatives to improve spatial planning and streamline infrastructure investment, including the recently published 10-Year Strategy for UK Infrastructure.
113. We were nonetheless impressed by the ambitious proposals put forward by both the private sector and local communities through their elected representatives. We hope that they will be able to bring forward many of the highly credible large-scale developments independently, where these did not meet the Taskforce's criteria for new towns. There were also a number of places where neighbouring local authorities worked well together, overcoming the often-times fragmented local governance structures that can make collaboration difficult. If one legacy of the New Town Taskforce's engagement with local communities has been to encourage local communities and their elected representatives to take a more ambitious and

strategic approach to supporting current and future opportunities for large-scale development, then this is very welcome.

Call for evidence and location visits

114. In making its recommendations, the Taskforce was encouraged by the level of interest in new towns in responses to our Call for Evidence, which invited submissions for sites with the potential for at least 10,000 homes and received over 100 responses. **This was an information gathering exercise rather than a competitive process.**
115. London, the South East, South West, and East of England received the largest number of submissions, but multiple proposals were received from every region of England. **The majority of the sites submitted were urban extensions to existing towns or cities**, with a smaller number of proposals for new standalone settlements.
116. The responses have added to the department's and Homes England's existing knowledge about potential sites, and helped to highlight the opportunities and the challenges of delivering new homes at pace and at scale. The responses to the Call for Evidence demonstrate the significant enthusiasm across the country to benefit from the distinct offer of new towns.
117. **While the sites submitted through the Call for Evidence have played a valuable role in adding to the Taskforce's knowledge base, site selection has ultimately been made in the national interest**, where there is clearest demonstration that the essential criteria for new towns locations has been met. The Taskforce has also accounted for the expressed preferences from ministers to prioritise early delivery, with many of the recommended sites either already somewhat underway or able to deliver in the short term, **as well as ensuring they meet the primary objectives to drive economic growth and resolving housing supply pressure.**
118. **All sites have been subject to a phased review process**, where the merits and challenges of each site has been investigated. This included consideration of the current planning status, the current or planned transport connectivity opportunities and the scale of deliverable homes on potential sites, as well as a range of wider considerations. Whilst many of our recommended places provided early estimates of required capital funding and initial appraisals of land ownership, further investigation will be needed to fully understand the detailed costs associated with required infrastructure and land assembly across the sites. **Of course, as well as cost estimates, the government will have to conduct due diligence on local delivery partners to ensure feasibility.**
119. The Taskforce has also gained valuable insights from its engagement with local leaders and the housing sector as part of this work. **It has become clear that stronger co-ordinated, cross-departmental leadership in Whitehall will be essential to the delivery of new towns and is a major attraction of being designated a new town.** Stakeholders consistently

highlighted the challenges of navigating fragmented national decision-making, encompassing not just housing but also transport, utilities, health, and education infrastructure, leading to delays and uncertainty that undermine local planning and deter private investment.

120. **There has also been widespread support for the role of development corporations to enable co-ordination and speed of delivery.** There were calls for further capacity funding to bring in the right skills to support development and for government to provide greater support to unblock large-scale infrastructure delivery and ensure confidence in securing planning permission for development. Cross-border collaboration between neighbouring authorities to facilitate building at scale was highlighted as an important factor which can sometimes be lacking. The Taskforce consistently heard that the Government should have a clear position in relation to the interaction between new towns and Local Housing need.
121. We have seen some encouraging positives, particularly in the creative ways in which some developers have been collaborating to support housing delivery, including strong interest in the Build-to-Rent model and effective partnerships with developers. However we have also encountered circumstances where insufficient control of land has led to a fragmented approach. **These issues are explored in further detail in Chapter 4.**

122. Other important themes, which have consistently been raised through Taskforce visits, include the importance of green, open spaces and early community engagement in the design of new towns **which are reflected in our recommended placemaking principles in Chapter 3.**

Recommended locations

123. **On the basis of this approach, we recommend that the following 12 locations are taken forward by the government** as the beginning of the next generation of new towns:
- A standalone settlement in **Adlington, Cheshire East**; to serve the growing industries in Greater Manchester and Cheshire, as identified in the government's Industrial Strategy.
 - A corridor of connected development in South Gloucestershire, across **Brabazon and the West Innovation Arc**; building in one of the highest productivity areas in the country with a high value research, advanced engineering and technology economy.
 - An expanded development bringing together **Chase Park and Crews Hill, Enfield**; delivering green development and helping address London's acute housing need.
 - Redevelopment of the former airbase at **Heyford Park, Cherwell**; connecting to Oxford and building on the existing progress and commitment to high-quality placemaking;

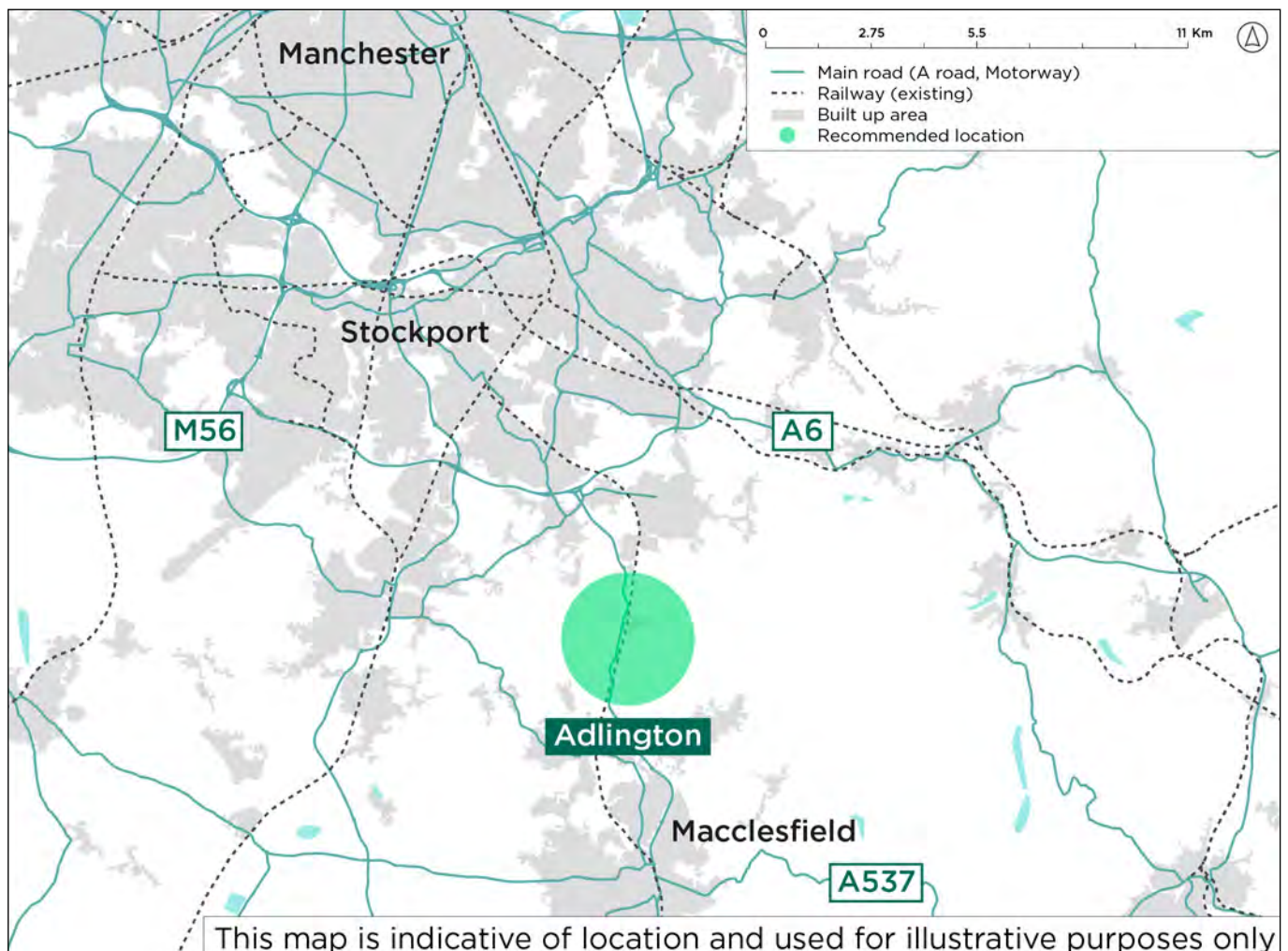
- referencing the area's past and supporting its future in innovative technology industries.
- e. Urban development in **Leeds**; catalysing on the city's existing economic prospects and capturing the benefits of the governments £2.1 billion local transport funding allocation for the Combined Authority by delivering well-connected, high-quality homes in the South Bank to support the city centre.
 - f. Inner-city development and densification in **Manchester, Victoria North**; supporting continued growth and attracting high-skilled workers to service the city's diverse industries.
 - g. A standalone settlement in the **Marlcombe, East Devon**; strengthening the region's labour supply and supporting the Exeter and East Devon Enterprise Zone.
 - h. A Renewed Town in **Milton Keynes**; reinvigorating the city centre and expanding to the city periphery whilst reshaping the way people travel, by delivering a Mass Rapid Transit system.
 - i. Densified development in **Plymouth**; evolving Britain's Ocean City and capitalising on the government's £4.4 billion investment in HMNB Devonport, Western Europe's largest naval base.
 - j. A new settlement in **Tempsford, Bedfordshire**; to maximise the benefits of East West Rail, building a sustainable, well-connected new town in the heart of the Oxford-Cambridge Growth Corridor.
 - k. The creation of a riverside settlement in **Thamesmead, Greenwich**; unlocking inaccessible land in the city and improving connectivity if the proposed extension of the Docklands Light Railway can be delivered to enable the development.
 - l. Expanded development at **Worcestershire Parkway, Wychavon**; accelerating delivery around the existing train station to help meet regional housing need and act as a model for sustainable, carbon neutral development.
124. The locations we have recommended are not exhaustive but represent those well-placed to both accelerate housing delivery and drive economic growth within this Parliament. It is now up to the government to decide how many new towns to take forward given its economic ambitions and fiscal constraints; what balance of types of new town interventions should be taken forward; and in what sequence the new towns should be delivered.
125. All of these locations will of course also need to be subject to due diligence by the department and Homes England before any decisions are made and future delivery should be subject to the necessary consultation processes.



Adlington, Cheshire

The new town proposal in Cheshire East is concentrated around the existing village of Adlington. The proposal, submitted by landowners Belport Adlington Limited, would deliver a standalone new town of over 14,000-20,000 homes on approximately 970 hectares of greenfield land. Benefitting from largely consolidated ownership, Adlington presents a compelling placemaking opportunity.

A new town at Adlington would be strategically located to benefit the economies of both Cheshire and Greater Manchester, with Manchester city centre directly accessible from Adlington Station in under 30 minutes. Cheshire East has a knowledge-rich economy, with 50% of its workforce in highly skilled jobs.⁸³ As identified in the government's recently published Industrial Strategy, Cheshire has a nationally significant Life Sciences cluster, with the Cheshire Science Corridor boasting a wealth of



⁸³ Cheshire East Council, Knowledge Economy, April 2025

industry and research and innovation assets. Greater Manchester has an extremely diverse economy, but growth is constrained by a shortage of housing. A new town at Adlington could help to sustain future growth in both Cheshire and Greater Manchester by easing housing pressures and supporting workforce mobility.

A new town at Adlington could reduce long-distance inward commuting to Cheshire's key employment sites by providing local homes for its workforce. By expanding the housing supply and offering a more diverse mix of housing types and tenures, Adlington has the potential to make Cheshire's housing market both more accessible and more resilient. Adlington also offers the opportunity to test housing strategies popular elsewhere in the country such as build-to-rent, which would serve existing demand for high quality rental homes with a patient upfront return on investment.

As a primarily greenfield site there will be minimal need for land remediation, and once a delivery vehicle is mobilised site preparation can commence quickly to facilitate enabling works and early infrastructure delivery within this parliament. Cheshire East's strong house prices (43% above the regional average for the North West in May 2025⁸⁴) mean that potential viability is high, and government can leverage land value capture to secure returns on its investment. Exemplar placemaking can be achieved, with a commitment to environmental sustainability and minimum 40% affordable housing provision built-in to plans from the very outset.

However, a new town at Adlington would not be without its challenges. Whilst Adlington benefits from an existing mainline station, train services are infrequent and the site is not currently integrated into local bus networks. A comprehensive sustainable transport strategy will be required to mitigate the currently high risk that the site becomes car dependent. The government would need to ensure that necessary infrastructure is prioritised, including significant upgrades to the local road networks, improvements to Adlington and Stoke-on-Trent train stations to address capacity issues on the whole line, and increased rail service frequency. These works will come at a considerable cost and may impact the speed at which the new town is able to reach its full potential.

New town designation and the establishment of a centrally-led development corporation that has powers to streamline planning processes, unlock Green Belt for development, and coordinate cross-government infrastructure delivery may be necessary to deliver the full ambition of an Adlington new town. Without designation, it is unlikely that a scheme of this scope at this location would proceed in its entirety through the local planning system, and any development brought forward would likely be small-scale and piecemeal.

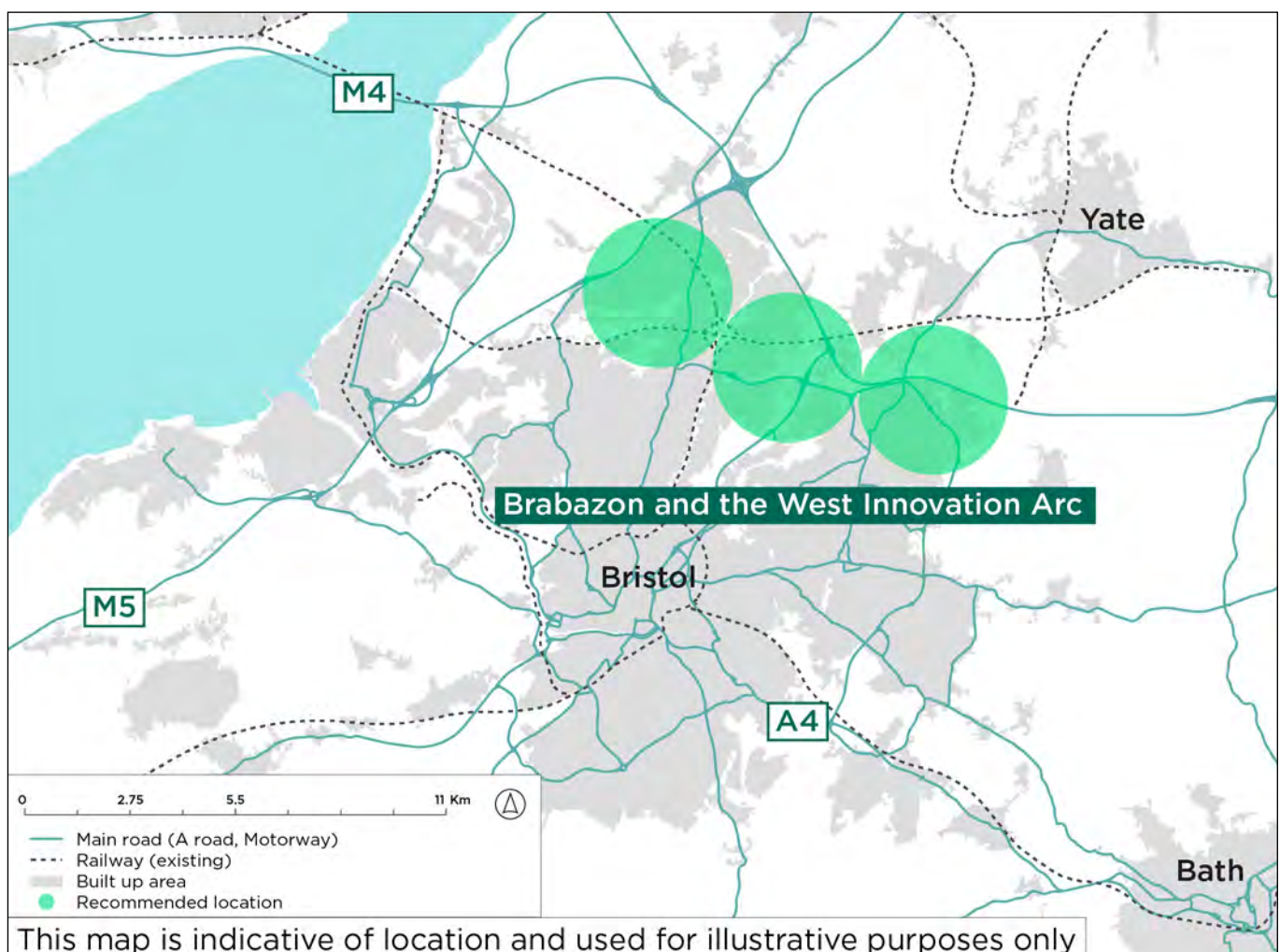
Adlington offers a unique opportunity for the government to be truly instrumental in delivering a new town that would likely not exist without intervention, and the government should therefore ensure that it is positioned to reap the economic benefits afforded by possible designation.

84 [ONS, Housing prices in Cheshire East, July 2025](#)

Brabazon and the West Innovation Arc

The new town proposal in South Gloucestershire, within the West of England Mayoral Combined Authority (WECA) geography, is a group of sites across an arc, with a high-density core on the former Filton Airfield, known as Brabazon, offering the earliest phase of delivery. Taking advantage of its proximity to Bristol and utilising brownfield land, this new town is an opportunity to build over 40,000 new homes in one of the most productive areas in the country, creating a new connected community in the West of England.

The West Innovation Arc sits north of Bristol and offers rapid delivery with over 300 homes already built on the Brabazon site. This new town would capitalise on existing overseas investment, as YTL, a Malaysian infrastructure conglomerate, have already invested £400 million in the site, and the YTL Group plan to invest £4 billion across the UK in the next five years, with Brabazon as their flagship project. This new town would also further maximise value for money of the recently



announced £752 million investment to support public transport and active travel in the West of England.

This would be a new town across three urban centres: Brabazon, Bristol Parkway station, and the Bristol and Bath Science Park. These would be linked by public transport and walking and cycling routes, building on the shared identity and history of this area and boosting the total number of homes to support economic growth.

With an economy worth over £43 billion, the West of England is an economically high performing area, which is identified as a key city region in the Industrial Strategy.⁸⁵ The West Innovation Arc hosts an ecosystem of research, advanced engineering and technology organisations of global significance and its identity is rooted in the collaborative and pioneering culture in aerospace engineering that has defined the area for over 100 years. However, productivity and growth are now constrained by a lack of suitable housing, inadequate local transport networks that lack high frequency services, and a shortfall of quality employment space for businesses.

Many residents living in the West of England region are having their finances stretched by high housing costs relative to income, as median house prices are 8.31 times median earnings in South Gloucestershire 2024.^{86,87} The Brabazon and West Innovation Arc new town would go some way to meeting this area's acute housing need.

Currently, just 6,500 homes on the Brabazon site have planning permission, and without government intervention

to resolve transport and energy issues, any growth in the West Innovation Arc will be severely limited. Under the status quo, housing delivery will likely be slow, with Brabazon limited to building up to 80 homes per year, but government intervention could unlock the potential for the delivery of more than 700 homes per year, in addition to student accommodation, a retirement village and hotel rooms. Without intervention the rest of the West Innovation Arc is likely to continue to gradually deliver car-dependent, low-rise developments which would not provide the amount or type of housing this region so desperately needs.

As of 2024, the area boasts one of the highest employment rates in Great Britain, with South Gloucestershire having higher GVA per capita than all but six London boroughs.⁸⁸ A new town in this region would enable a deeper and more resilient labour market and support agglomeration by locating housing near existing jobs and growing industries, as well as reducing car-dependency. Development would also complement the nearby Bristol Temple Quarter and Bristol city centre developments by strengthening the rail link between Brabazon and Bristol Temple Meads, boosting the wider Bristol labour market and increasing investor confidence in Bristol overall, where build costs are some of the highest in the world.⁸⁹

85 [West of England Combined Authority, Regional Evidence Report: State of the West of England in 2024](#)

86 [ONS, House price to residence-based earnings ratio, March 2025](#)

87 [ONS, Housing affordability in England and Wales: 2024, March 2025](#)

88 [ONS, Regional labour market: local indicators for counties, local and unitary authorities, July 2025](#)

89 [Arcadis, International Construction Costs Report, 2025](#)

However, the site is not without challenges. As a new town, land assembly would be complicated, as the land for the wider West Innovation Arc is in fragmented ownership and would require significant remediation and upfront investment. Additional transport and energy investment would also be required to maximise the potential for this site. With early work underway to identify energy constraints, government departments would need to jointly prioritise infrastructure investment in this area to ensure sufficient energy and transport provision.

As this is a proposal with three centres, and with some development already underway, if selected as a new town the government would need assurances that the whole West Innovation Arc could meet the placemaking principles. This could be achieved through formal agreements with the developers, including YTL on Brabazon, to ensure alignment in the delivery of high-density housing connected by quality public realm and enshrining this private-public coalition before new town designation is agreed. This proposal was put forward by, and would have the full support of, WECA and South Gloucestershire Council. The most appropriate delivery vehicle would likely be a development corporation.

Overall, the proposal is an opportunity to capitalise on a live Brabazon development at an early stage delivering an ambitious vision for a high density, sustainable and connected community across the full West Innovation Arc. This could deliver four times more homes than are currently planned. This West Innovation Arc new town would unleash the region's economic growth, tackling severe housing affordability constraints to create a vibrant new community.

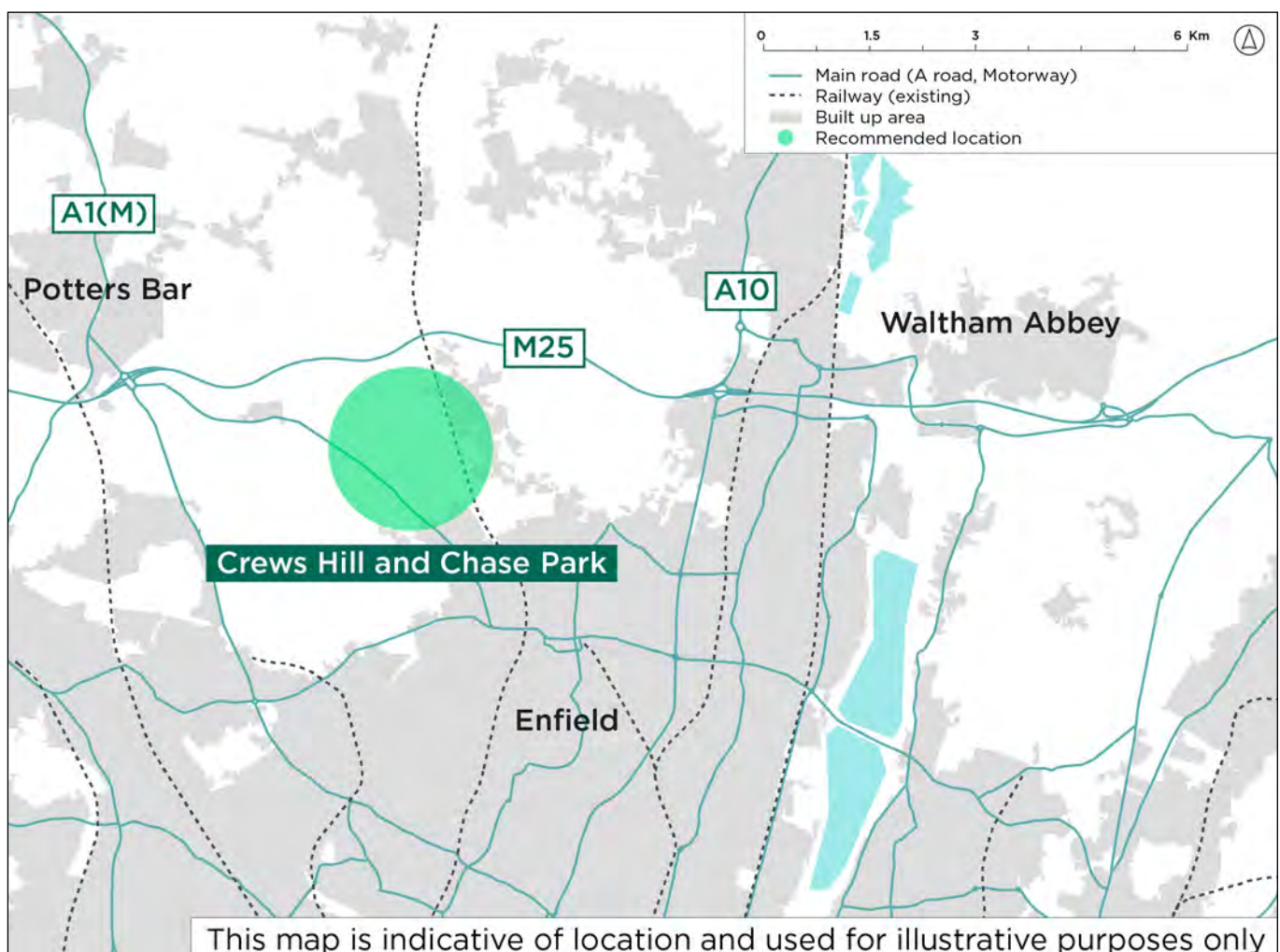
Crews Hill and Chase Park, Enfield

The new town proposal in Enfield offers a unique opportunity to create a new, family-centred community within the Greater London boundary; leading the way in releasing poor quality Green Belt land for sustainable, quality development. It has the potential for up to 21,000 homes, across c.884 hectares, with an ambition for 50% of those homes to be affordable, helping to address London's acute housing need.

The London Borough of Enfield is located on the northern fringes of London. The proposal brings together and expands two sites to the north of

the borough at Chase Park and Crews Hill. It is supported by both the London Borough of Enfield and the GLA, and the Taskforce has been impressed by their collaborative approach.

Much of the proposed site is currently low value land, comprising commercial nurseries, garden centres, a golf course and lower quality greenfield land. The Enfield Chase landscape recovery project proposes a woodland and nature restoration initiative, and so with careful management of any overlaps the Enfield



new town could further improve both the quality and accessibility of open green space for existing and new residents.

The site is already well connected, situated close to the M25 and existing public transport networks at Crews Hill, which offers direct connections to London and to the East Coast Mainline via Stevenage, and the London Underground at Oakwood which is served by the Piccadilly Line. While upgrades to some public transport infrastructure would be required to support a new town, the existing connectivity means development could proceed quickly, with improvements made in parallel.

There is a strong economic case for new towns in London. London is a vital part of the UK economy, but its potential is held back by high house prices which impacts on productivity. A new town in Enfield could support London's economic growth by providing much needed housing for a workforce that could easily commute into central London, as well as offering new commercial space and employment opportunities.

The scale of housing need in London is well documented and current delivery falls well below estimated need. London Councils have estimated that it costs London boroughs nearly £1.4bn a year to house residents in temporary accommodation. The median house price in the London Borough of Enfield is well above the national average,⁹⁰ and, as of 2024, the median house price is 10.59 times median earnings.⁹¹ Private renters in Enfield could expect to spend 37.3% of their income on a rented home, above the England average of 34.2%.⁹²

The existing proposed land allocations in the emerging Enfield local plan would provide for 9,000 homes on separate sites at Crews Hill and Chase Park, significantly fewer than the 21,000 proposed for the potential new town. Without new town designation it is unlikely that development will be brought forward at such scale or pace, making many homes delivered here as part of a new town truly additional.

Delivering homes, especially family homes, at scale in London is challenging given its urban context and limited land availability. The Taskforce recognises the government's commitment to taking a more strategic approach to Green Belt land, releasing it to build homes in the right places. The Taskforce considers that the proposed new town in Enfield could lead the way in demonstrating that commitment and act as an example for Green Belt development elsewhere.

The Taskforce considers the proposed new town in Enfield to be a strong and credible proposition but, as with any large-scale development, it is not without challenges. While land is predominately owned by the London Borough of Enfield or a small number of developers, land acquisition would be required on parts of the site at Crews Hill which are currently owned by multiple private owners.

The existing public transport links are a clear benefit of the proposal and many of the improvements required can likely be covered with S106 agreements. However, it is likely that the government would need to provide up-front funding to ensure delivery is at the pace and scale required for a new town. Train frequency at Crews Hill would need to

90 [ONS, Private rent and house prices, UK, July 2025](#)

91 [ONS, House price to residence-based earnings ratio, March 2025](#)

92 [ONS, Private rental affordability, England and Wales: 2023, October 2024](#)

be increased beyond the current 2 trains per hour during off-peak times and 4 trains per hour during peak-times. The government would need to explore options with the GLA and Transport for London (TfL), including the potential to devolve the Great Northern line, as previously happened with Greater Anglia.

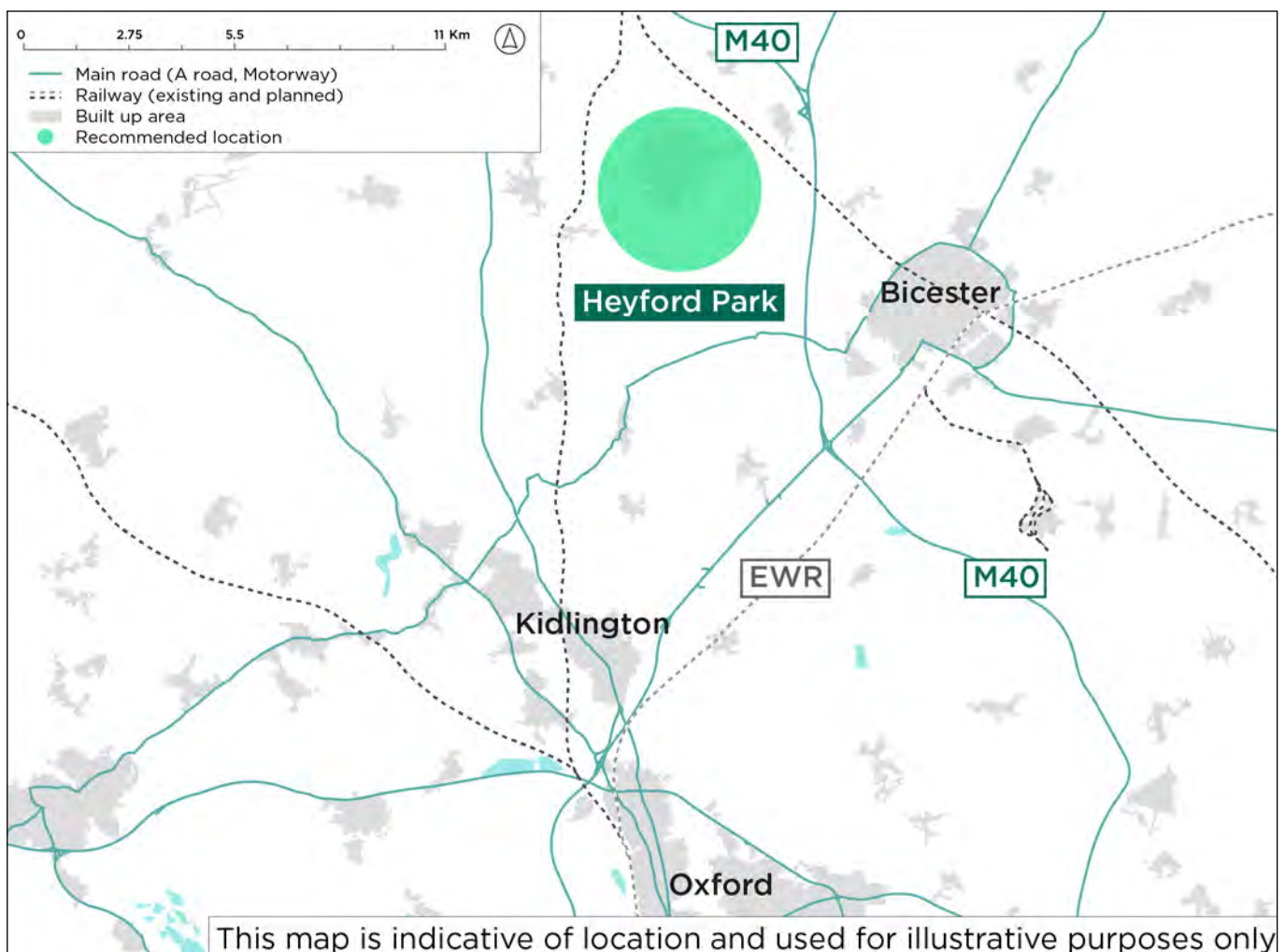
The GLA are experienced in delivering large-scale developments using Mayoral Development Corporations. Whichever development vehicle is ultimately chosen, the government would need to ensure that the GLA, London Borough of Enfield and other partners work together to deliver to the new town placemaking principles. Working in partnership to deliver a quality and sustainable development could also help reduce potential public opposition to new development on greenfield land.

Overall, the proposed new town in Enfield is a strong and exciting proposition that could lead the way in sustainable Green Belt development and provide homes that London desperately needs.

Heyford Park, Oxfordshire

Heyford Park in Cherwell presents a distinctive location for a standalone new town. This is an opportunity to deliver over 13,000 homes centred around a 505-hectare brownfield site in single ownership in the heart of Oxfordshire. Situated on a plateau surrounded by countryside, this former airbase sits within the Oxford to Cambridge Growth Corridor, which has been identified in the government's Industrial Strategy as a priority area for investment in housing, transport, and digital infrastructure.⁹³

Development in Heyford Park could capitalise on proximity to the city of Oxford (15 minutes by train from Heyford Station to Oxford, or a 30-minute drive), as well as the towns of Banbury and Bicester, industrial developments at Begbroke, Oxford City Airport and nearby motorsport industry in and around Silverstone.



⁹³ HM Treasury and National Infrastructure and Service Transformation Authority, UK Infrastructure: A 10 Year Strategy, June 2025

The majority brownfield site, historically significant as a US airbase during the Cold War, housed over 8,000 American military personnel and their families at any one time,⁹⁴ with residents of local villages using the airbase's amenities. The main airbase site is owned by Dorchester Group, who have already commenced development on adjacent land which has planning permission for circa 2,700 homes, of which circa 1,200 homes have been delivered. A hotel, primary school and range of local shops and commercial facilities have been developed in and around a new village centre.

Already on site is the Heyford Park Innovation Centre, offering office and laboratory space for a variety of companies. Many of these businesses already work within the clean technologies industry, and other companies also occupy former hangers on the airbase grounds. Designation here would catalyse the development of a green and clean technologies hub with the potential for seven thousand jobs delivered on site.

Nearby Oxford, a city with a much higher than average GDP per head,⁹⁵ suffers from significant housing pressures, with both average house and private rent prices being extremely high.⁹⁶ There are also affordability challenges in Cherwell, with the median house price being 8.11 times median earnings in 2024⁹⁷ and private renters in Oxford paying on average 39% of their income on a rented home, above the England average of 34.2%.⁹⁸ A new town designation could maximise density on site, support the

co-ordination of transport provision, provide long-term certainty and speed up delivery timelines.

A masterplan for delivery across some of the proposed site has already been drawn up, with appropriate revisions needed to ensure alignment with the new towns placemaking principles. There is a small allocation at this location in Cherwell's adopted local plan (2361 homes).⁹⁹ This allocation has been carried forward into the emerging plan.

A significant challenge for this rural site is public transit connectivity and the risk of car dependency. If taken forward as a new town, a key priority must be to ensure considerable transport planning and forward funding for infrastructure is aligned, ensuring attractive and efficient bus and active travel routes between the site and nearby rail stations are delivered, as well as upgrades to rail frequency.

Doing so will provide both current and future residents with access to more effective public transport connections into nearby Oxford, Bicester and Banbury, in addition to London and Birmingham further afield through the potential delivery of a new station on the Chiltern Valley line. The impact on nearby road networks including the M40 and A34 needs further investigation.

There is land adjacent to the site where a promoter is seeking to secure NSIP status for a Strategic Rail Freight Interchange (SRFI); the placemaking of the wider Heyford Park site will be an important consideration alongside this, though it may bring economic and

94 Cook, A Strategic Consideration of the Cold War Heritage of the Former RAF Upper Heyford Base, 2017

95 ONS, Gross domestic product per head at current market prices, April 2025

96 ONS, House price to residence-based earnings ratio, March 2025

97 ONS, House price to residence-based earnings ratio, March 2025

98 ONS, Private rental affordability, England and Wales, October 2024

99 Cherwell District Council, Adopted Cherwell Local Plan 2011–2031 Part 1 (incorporating Policy Bicester 13 re-adopted on 19 December 2016)

employment benefits and may provide the opportunity for infrastructure cost sharing. Further investigation needs to be undertaken as to potential impacts if this came forward.

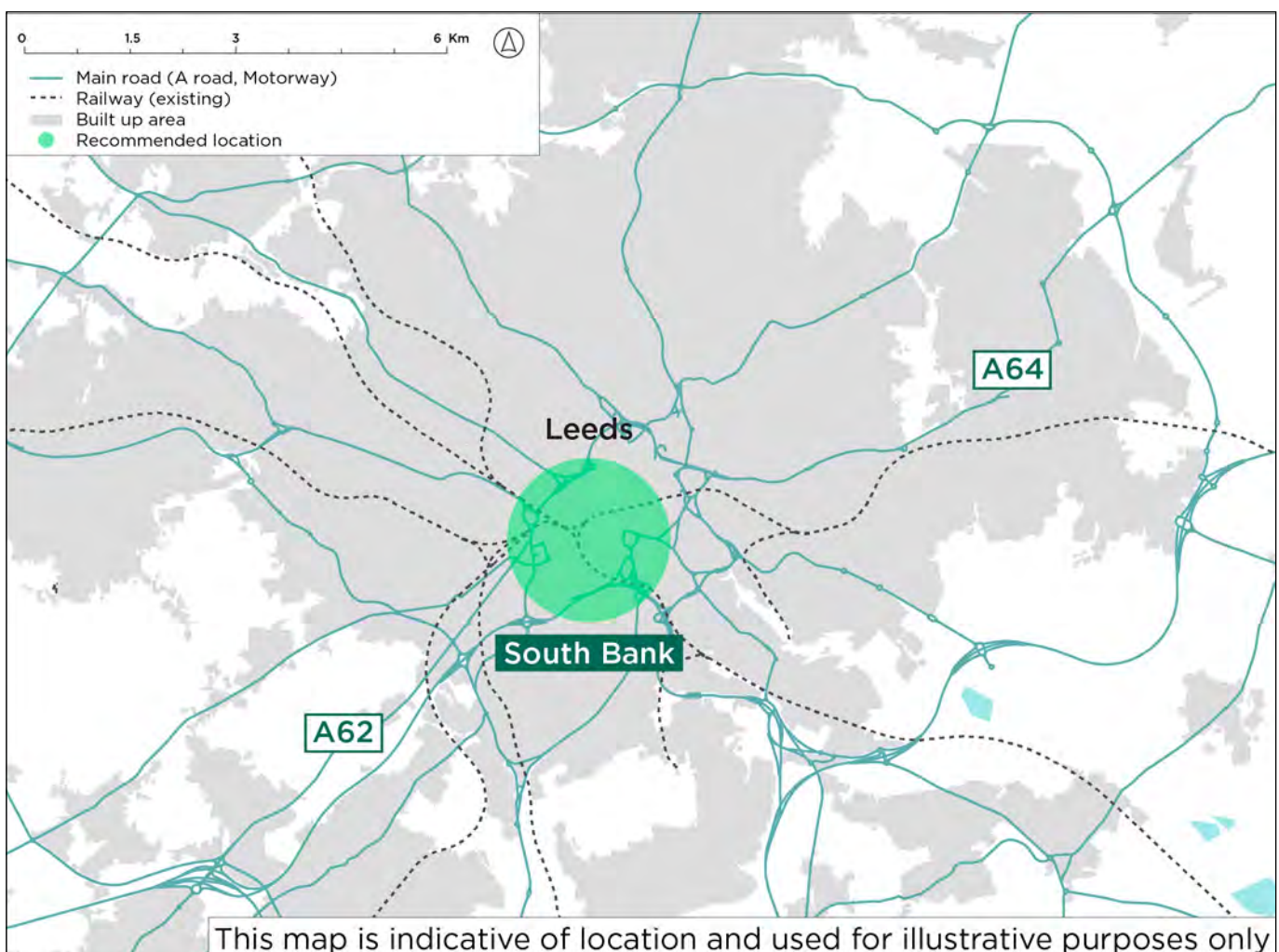
Overall, the proposed new town in Heyford Park presents a significant opportunity to deliver high-quality homes with strong connections to green industries, Oxford City and the wider Oxford to Cambridge Growth Corridor.

Leeds South Bank

The new town proposal is 258 hectares in the South Bank area and located directly south of Leeds city centre. Leeds South Bank provides an opportunity to deliver up to 13,000 new homes and three million square feet of new commercial space to form a distinct new urban community to boost Leeds' contribution to economic growth.

A South Bank new town would be bookended by cultural anchors with the Royal Armouries Museum to the east and the historic Temple Works, potential future home of the British Library North

on its western side, with the River Aire acting as its northern boundary. Announced in June by the Chancellor, the West Yorkshire Mass Transit system is set to significantly improve connectivity in the city, inclusion of the South Bank in a future New Towns Programme would accelerate the pace of ambition and transformational change, creating a new residential quarter with its own identity. This would echo the legacy of other new towns within cities, like Edinburgh New Town.



Leeds has the fourth largest economy of any English city and has undergone substantial regeneration over the past two decades. It is the economic powerhouse of West Yorkshire, accounting for 40% of the region's £70 billion economy and is recognised as a priority city region in the government's Industrial Strategy.¹⁰⁰ The city has seen the fastest growth in knowledge-intensive businesses of all UK cities in the last 15 years and now stands as the largest financial and professional services centre outside of London.

Leeds is also the second city in the UK for start-up businesses, underlining its role as a hub for innovation and enterprise.¹⁰¹ However, this economic strength is held back by constrained connectivity. Only 38% of Leeds's population can reach the city centre by public transport in 30 minutes or less, limiting effective city size and putting a brake on growth and productivity.¹⁰² In parallel with the upcoming West Yorkshire Mass Transit system, the creation of a new urban quarter adjacent to the city centre would unleash Leeds' potential to drive further economic growth and deliver much needed new homes.

Leeds has performed strongly on housing growth in recent years, achieving 117% in the most recent housing delivery test, delivering over 17,000 homes in the last five years, and building over £4 billion worth of large-scale development projects in the past decade.¹⁰³ Despite this progress, significant challenges remain as housing affordability and quality are ongoing issues for many, with

median house prices being 6.46 times median earnings in Leeds in 2024,¹⁰⁴ over 26,000 households awaiting homes through the Leeds Homes Register, and an above average rate of substandard housing. The inclusion of South Bank in a future New Towns Programme would help address this need for thousands of high-quality, well-designed new homes while also ensuring these are well-connected to jobs and accompanied by the infrastructure necessary to create a successful and sustainable new community.

The 13,000 homes in this new town proposal are either additional to delivery on allocated sites in the Leeds' Local Plan or represent unlocked development on allocated by currently unviable sites. Without new town designation, whilst some development would come forward in this area, it could be disconnected and slow. The delivery of homes in Leeds is increasingly constrained by the lack of enabling infrastructure, transport connectivity, and the upfront capital required to de-risk and unlock more complex or marginal sites. Existing plans, including the Mass Transit system and the Leeds Transformational Regeneration Partnership will help address some of these constraints, but a new town would capitalise on these interventions to catalyse comprehensive regeneration of the South Bank that would also benefit the wider city region. Affordable housing ambitions have not yet been determined, but a new town intervention could help to maximise this. Without substantial intervention, viability barriers will be difficult to overcome, and the mix and type of any housing delivered would be unlikely to meet the needs of the region.

100 DLUHC, *A vision for Leeds: a decade of city centre growth and wider prosperity*, March 2024

101 DLUHC, *A vision for Leeds: a decade of city centre growth and wider prosperity*, March 2024

102 Centre for Cities, *Mapping the 30-minute city*, 2022

103 DLUHC, *Housing Delivery Test: 2023 measurement*, December 2024

104 ONS, *House price to residence-based earnings ratio*, March 2025

As these proposals are at an early stage, the government will need to do further work to fully understand the potential complexities and costs typically associated with brownfield sites, as well as interdependencies with the West Yorkshire Mass Transit system and the release of land safeguarded for HS2, and instatement of new safeguarding relating to Leeds station.

A new town in the South Bank would significantly benefit the wider Leeds Transformational Regeneration Partnership, which is a 10-year programme of change and investment for regeneration focused on six 'city rim' neighbourhoods, one of which is the South Bank. Through this Partnership, Homes England and the government are already working closely with West Yorkshire Combined Authority and Leeds City Council, who submitted and strongly support this new town proposal. If Leeds South Bank is granted new town status, this would maximise value for money of existing and future transport investment and deliver inclusive growth through the creation of a new vibrant and mixed community.

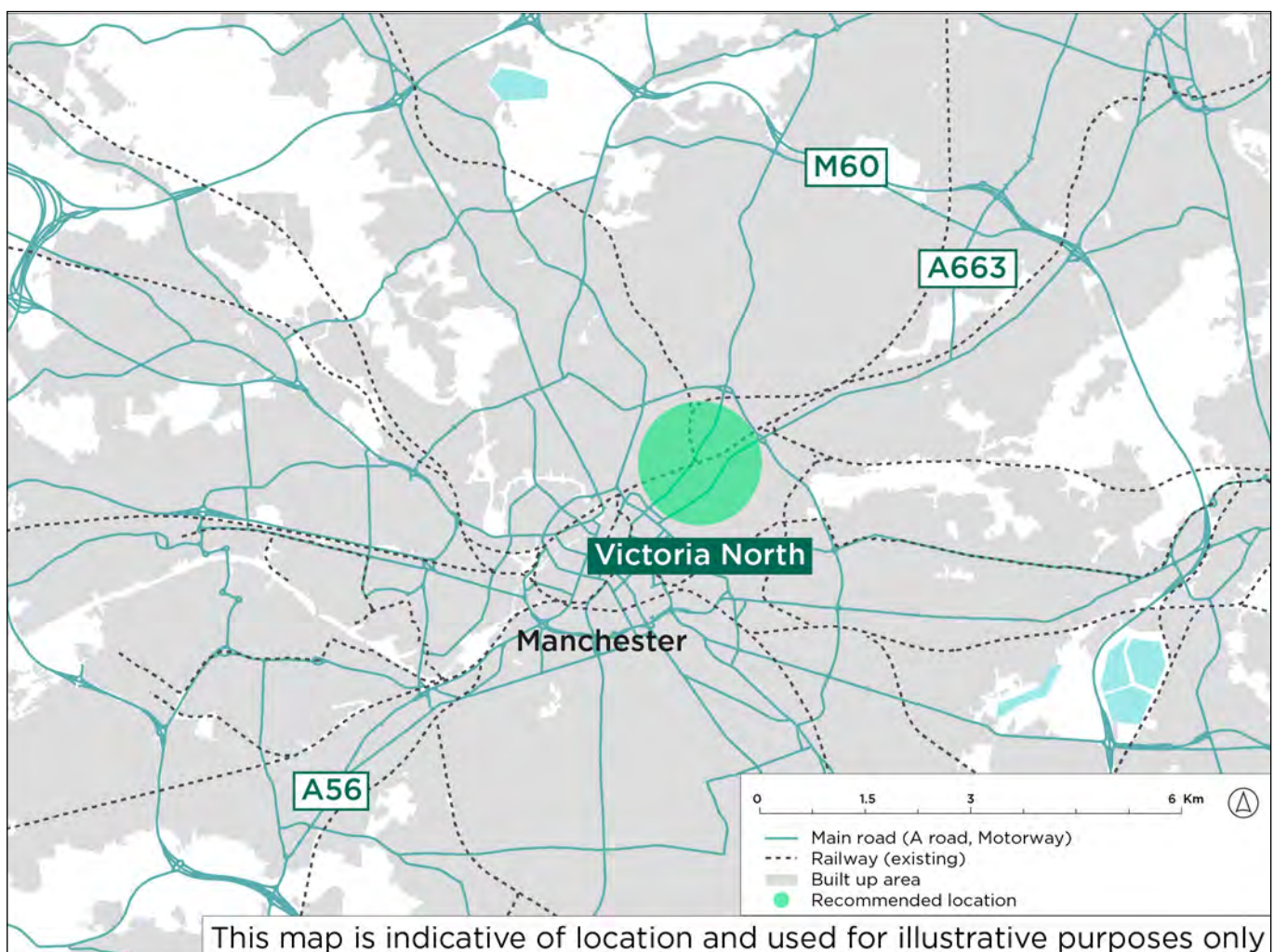
The vision for a new town in Leeds South Bank aligns with the placemaking principles and is an opportunity to unlock the potential of underused land to deliver thousands of new high-quality homes and ease local housing pressures.

Manchester Victoria North

The new town proposal in Manchester, Victoria North represents an opportunity to deliver a sustainable “new town within a city”. It covers 155 hectares of brownfield land immediately northeast of Manchester city centre, a major hub for jobs, services, and leisure. It could deliver 15,000 homes over the next 15-20 years, along with new shops, primary and secondary schools, a health centre, new and upgraded public parks and open spaces, and a new Manchester Metrolink station and public transport hub.

The proposed new town would help support and deepen the city’s labour market, improving productivity and boosting growth. The site will also deliver the regeneration of Collyhurst, home to 2000 residents, and one of Manchester’s most deprived areas, disconnected from the success seen elsewhere in the city. The project will provide residents with high-quality new homes, alongside substantially better public transport and local services.

As the site is located on the edge of Manchester city centre, it benefits from well-developed transport and utilities



networks, but some upgrades will be required. The main dependency to unlock the full capacity of the site is the delivery of the new Metrolink station at Sandhills, which would connect the site into Manchester city centre and the wider city, including the new North Manchester General Hospital. This has received some funding via the recent Transport for City Regions funding settlement but will need contributions from elsewhere. Victoria North would also capitalise on plans to improve connectivity between cities across the North, such as the TransPennine rail upgrades.

In 2022, Greater Manchester's economy was valued at £90 billion and has grown faster than the UK average since 2000.¹⁰⁵ Alongside retail and leisure activity, Manchester city centre is a hub for key sectors, such as professional services, finance, science and technology, and the cultural industries. The city continues to attract high-skilled workers, however, only 20% of Manchester's population can reach the city centre by public transport in 30 minutes or less.¹⁰⁶ As the largest brownfield site near the city centre, Victoria North offers a critical opportunity to sustainably accommodate Manchester's growth and support the wider regional economy.

But alongside this economic success, housing has become less affordable across Manchester. Median house prices have risen from being 5.49 times median earnings in 2014 to 7.34 times them in 2024.¹⁰⁷ Private renters in Manchester could expect to spend 45.6% of their income on a rented home, above the England average of 34.2%.¹⁰⁸

Delivery is currently underway, with a first wave of c.1000 new homes almost complete, with new apartments at Redbank and family homes in Collyhurst. A further 5000 homes also have planning permission, demonstrating the confidence in the project. Victoria North is being led by Manchester city council, who are an extensive landowner within the area, and with delivery through a joint venture with developer Far East Consortium.

This joint-venture owns 70-75% of the land, and the remaining sites are expected to come forward in line with the wider vision. The Greater Manchester Combined Authority are also fully supportive of the project. While there would need to be engagement with these local stakeholders over any new town intervention, because of the dominant position of the joint-venture in land ownership, direct government purchase of land would be a choice rather than a requirement.

This is a complex project, with a mixture of brownfield sites, existing industry, and residential estates. The industrial history of the area has, and will continue to, present challenges to making the land safe for development.

Victoria North is a new town opportunity with the potential to deliver at least 15,000 homes for around 40,000 residents built around public transport and immediately adjacent to a major economic, leisure, and service hub. Much like similar projects delivered in Manchester over the past forty years, it has the scale of opportunity to develop a distinct identity as a new place.

¹⁰⁵ GMCA, Greater Manchester Economic Factbook, 2025

¹⁰⁶ Centre for Cities, [Mapping the 30-minute city](#), 2022

¹⁰⁷ ONS, [House price to residence-based earnings ratio](#), March 2025

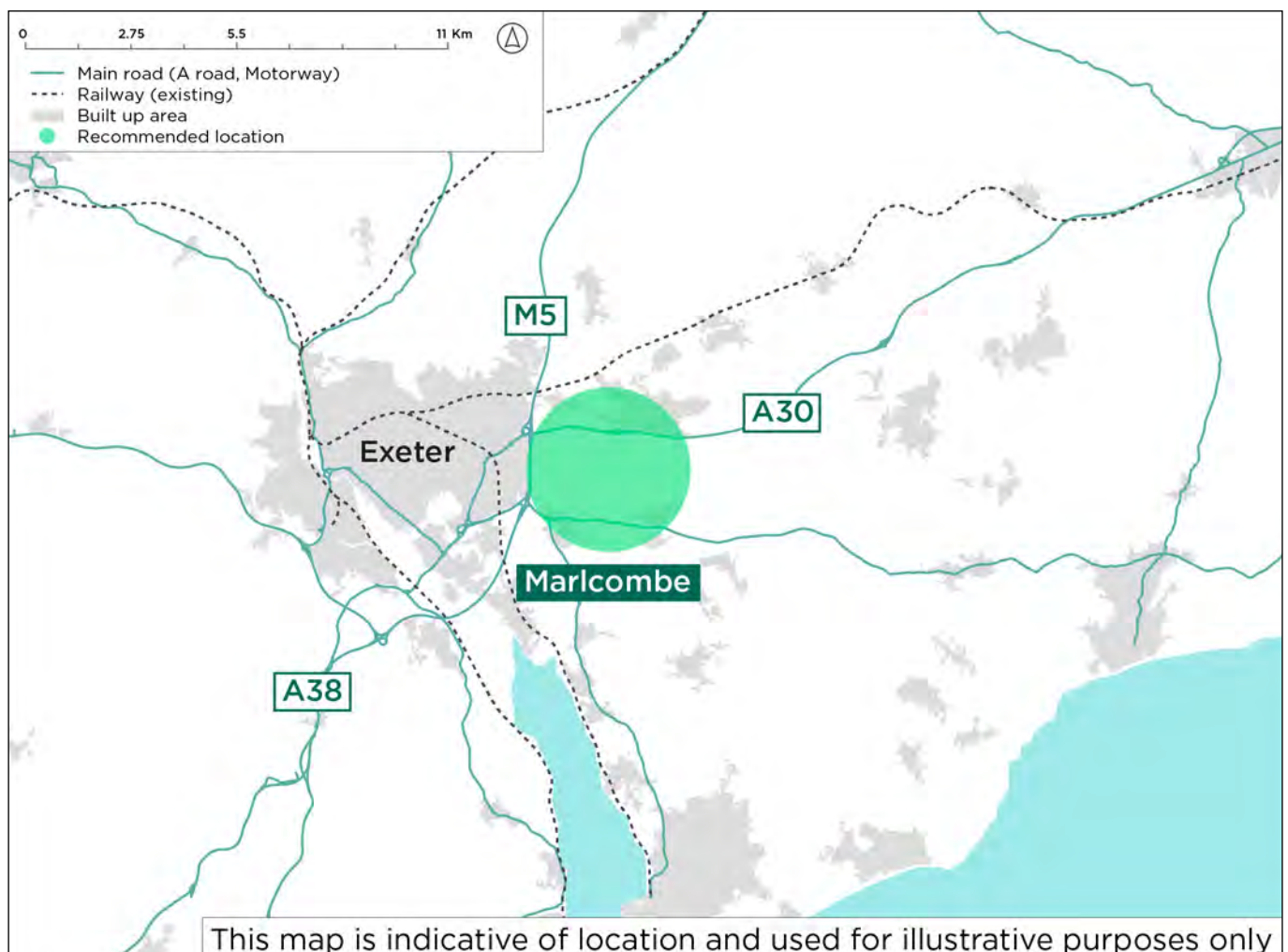
¹⁰⁸ ONS, Private rental affordability, England and Wales: 2023, October 2024

A new town in Victoria North would recognise, at a national level, the potential Manchester has long seen in the area, and offer clear support to their ambitious plans to deliver both large numbers of homes at pace and the supporting infrastructure they need. But it would also acknowledge the potential complications brownfield sites can have, commit government to help solving them, and provide the certainty needed that future phases could continue to move forward. There is also the opportunity to boost affordable housing provision beyond the current ambition of 20%, and to ensure that the new place is built out to the highest standards of placemaking, in line with the recommended placemaking principles. The successful regeneration of Victoria North would demonstrate how the public and private sector can work together to tackle complex regeneration challenges, and in a way which could be replicable up and down the country.

Marlcombe, East Devon

The new town proposal in East Devon would be located only a few miles from the centre of Exeter on a standalone greenfield site in the heart of the Clyst Valley, to the south of the A30 and Exeter Airport. With potential for future expansion into brownfield sites in Exeter, this new town for South West England would capitalise on, and boost, already impressive growth in the region, with the capacity to deliver at least 10,000 homes across 500 hectares.

The proposed site sits in close proximity to key strategic transport infrastructure, particularly the M5 and the Great Western Mainline, which will connect it well both regionally and nationally. There is the opportunity to integrate with work being done by Devon County Council, Devon and Torbay CCA and local authorities to improve transport connectivity across the region, for example through the Devon Metro scheme.



East Devon and Exeter's economic and housing growth is closely linked, with the western edge of East Devon directly bordering the city of Exeter. Exeter is not only the administrative capital of Devon but an economic and cultural hub of the region offering a high quality of life to residents. This has been reflected in impressive population growth, being the fourth-fastest growing city in the UK,¹⁰⁹ driven by a strong knowledge-based economy. This is comprised of a comprehensive professional sector in combination with strong research credentials across medicine, renewable energy and climate change, with the University of Exeter at its heart.

This growth has changed the economic geography of the sub-region. There are now as many jobs in the Sowton area adjacent to the proposed East Devon new town as in Exeter city centre. At the heart of this economic shift is the Exeter and East Devon Enterprise Zone, a hub for clean growth technologies. The Enterprise Zone has the potential to create over 10,000 jobs, and generate up to £10 million annually in business rates, with over £100 million already allocated for infrastructure investments.

Despite East Devon's economic successes, housing still acts as a key barrier to growth, with median house prices sitting at 8.5 times median earnings in 2024.¹¹⁰ Before Cranbrook – a standalone new settlement with the potential to deliver 8,000 homes, located a mile north of the Marlcombe site – and wider growth initiatives such as the Enterprise Zone and Science Park, East Devon experienced sluggish housing and economic growth. This resulted in a disproportionately high number of older residents and a

significant constraint on available labour supply. Over 5,000 of the homes were delivered in Cranbrook and the wider growth corridor between 2013-2023, more than doubling the average annual delivery from the previous decade. Cranbrook has an extremely high percentage of young families located next to key employment areas, helping to address East Devon's labour challenges, with it having a median age 10 years higher than the England as a whole.¹¹¹

The emerging Local Plan allocates land at the Marlcombe site for least 8,000 homes, with around 3,330 delivered in the plan period up to 2042, and there is a stated aspiration to allocate further land to accommodate at least 10,000 homes. East Devon Council have also stated aspirations to deliver 40% affordable housing in the new town, above plan policy of 30%, but will need grant funding to do so. Without a new town designation, the risk is that development comes forward in a piecemeal fashion and without a town centre.

Coordination around infrastructure is likely to mean that additional homes can be delivered within the plan period – local partners stressed the challenges they faced coordinating with key stakeholders such as South West Water and National Highways. Additionally, future expansion into Exeter will require significant cross-border local authority collaboration and this would likely happen faster with the scope and powers available to a new town delivery vehicle.

¹⁰⁹ ONS, Population estimates for England and Wales: 2012 and 2022 data, revised using Census 2021, July 2024

¹¹⁰ ONS, House price to residence-based earnings ratio, March 2025

¹¹¹ ONS, How life has changed in East Devon: Census 2021, January 2023

Delivery of a new town in East Devon will require careful design and consideration of infrastructure, to ensure the new community has early up-front provision of social infrastructure while also being well connected to the wider region's economic hubs. An overreliance on cars is a real risk that will need to be considered as transport infrastructure plans develop. East Devon faces considerable and shared infrastructure needs with Exeter, particularly road infrastructure, with congestion on junctions 28-31 of the M5 being a key blocker of future growth, as well as utilities and social infrastructure. Coordination with DfT and Highways England on early solutions to this will be critical for speedy delivery. In the near term this site will be able to utilise nearby Cranbrook for bus and rail connectivity, but in the medium to long term further work needs to be done to ensure that the site is fully integrated into the work that is taking place on the Devon Metro by Devon County Council and Devon and Torbay CCA.

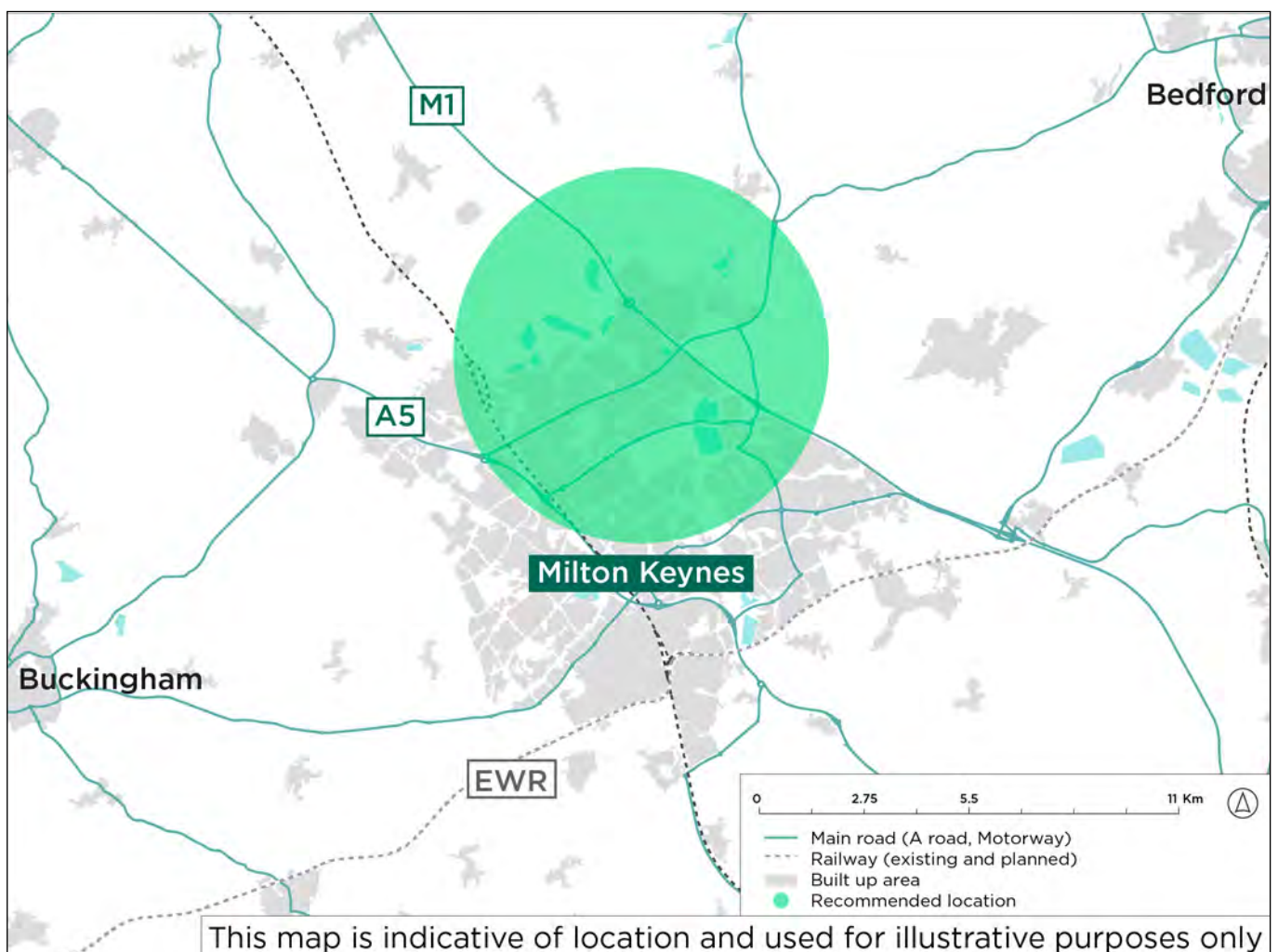
Alongside the proposed East Devon site, there are a number of other large sites in the wider Devon region, notably large brownfield sites in Exeter itself, as well as in Mid Devon and Teignbridge, which while having strong local economies also share a functional economic geography as well as common infrastructure needs, particularly transport. While our recommendation is focused on East Devon, there is a strong opportunity for increased collaboration between local authorities to maximise the shared benefits of the different sites.

Overall, the proposed new town in East Devon provides an excellent opportunity to capitalise on the economic strengths of the region, whilst further bolstering the local labour market and sustaining the growth momentum demonstrated over the past decade.

Milton Keynes

Milton Keynes was in the third wave of the original new towns, designated in 1967, and has continually been a nationally high performer in terms of housebuilding since. The 'renewed town' proposal in Milton Keynes could support the increased delivery of c.40,000 new homes across the city and expansions to the city periphery, to reinvigorate an already highly productive local economy.

With development commencing in the city centre and in urban extensions, a renewed town can help unlock the full growth potential of Milton Keynes. While the sites are not geographically contiguous, they are intrinsically linked by their economic and social connections, which would be further strengthened by an enhanced public transport network. The construction of a bridge will bind the northern development to the city centre, whilst the eastern site will catalyse ongoing development, accelerating at pace.



Milton Keynes is known for its distinctive design identity, which has led to a perception of domination by the car, with ample, low-cost parking in the city centre being a particular feature. The low-density nature of the city centre has also contributed to a lack of vibrancy and activity, including in the night-time economy. Despite this, there has been a credible shift away from the city's initial 1970s vision and now there is a population of almost 300,000 people, with renewed city standards for modern living. The initial sites will be well-served by a proposed mass rapid transit system. The city centre inclusion will create an engine to facilitate peripheral growth, providing the economic heart for the expanded city.

Government investment in infrastructure could bring the transformational change required to give Milton Keynes a stronger sense of place and completely reshape the way people travel in the city by building a Mass Rapid Transit system. The city's position in the Oxford-Cambridge Growth Corridor and its rail connection within the region through the East West Rail route will further enhance the local job market and the government's growth strategy for the area.

The city has an entrepreneurial business identity, as a net importer of workers, continuing to rapidly expand itself with growing finance, digital and technology sectors. This is encapsulated in recent years by its identity as a city at the forefront of growth in artificial intelligence, autonomous vehicles and smart city technologies. In addition, Milton Keynes' growth will benefit from access to higher education institutions such as the Open University (which has a physical campus in Milton Keynes) and Cranfield University, and the

ambition for in-person undergraduate education in the city centre. This strong economic base could help to sustain significant job growth for the thousands of new residents expected to move to the new town, with less reliance on commuters coming in.

Housing affordability is a challenge, with median house prices being 8.47 times median earnings in Milton Keynes in 2024.¹¹² Varied housing products are required so affordable housing is within the reach of everyone. Land ownership and site assembly is relatively straightforward across the new town locations; master developers and consortia are working together in the expansion areas and Milton Keynes Development Partnership – the Council's property and development company – own major landholdings in the city centre. Confirmation as a new town could accelerate land assembly activities and the planning process to deliver homes earlier, and in a strategically joined-up approach.

Milton Keynes offers a unique opportunity to facilitate both urban renewal, and growth beyond its current parameters through a working partnership with the private sector. A new towns designation could maximise ambition beyond piecemeal housebuilding and drive a transformational change to the identity of the city and to residents' ways of life.

Delivery of a Mass Rapid Transit system would not only discourage car dependency and connect residents to key existing employment, commercial, and cultural spaces, but it could unlock other neighbouring sites for large-scale development that would otherwise be unviable or unappealing to the private sector. Through transport improvements,

112 [ONS, House price to residence-based earnings ratio, March 2025](#)

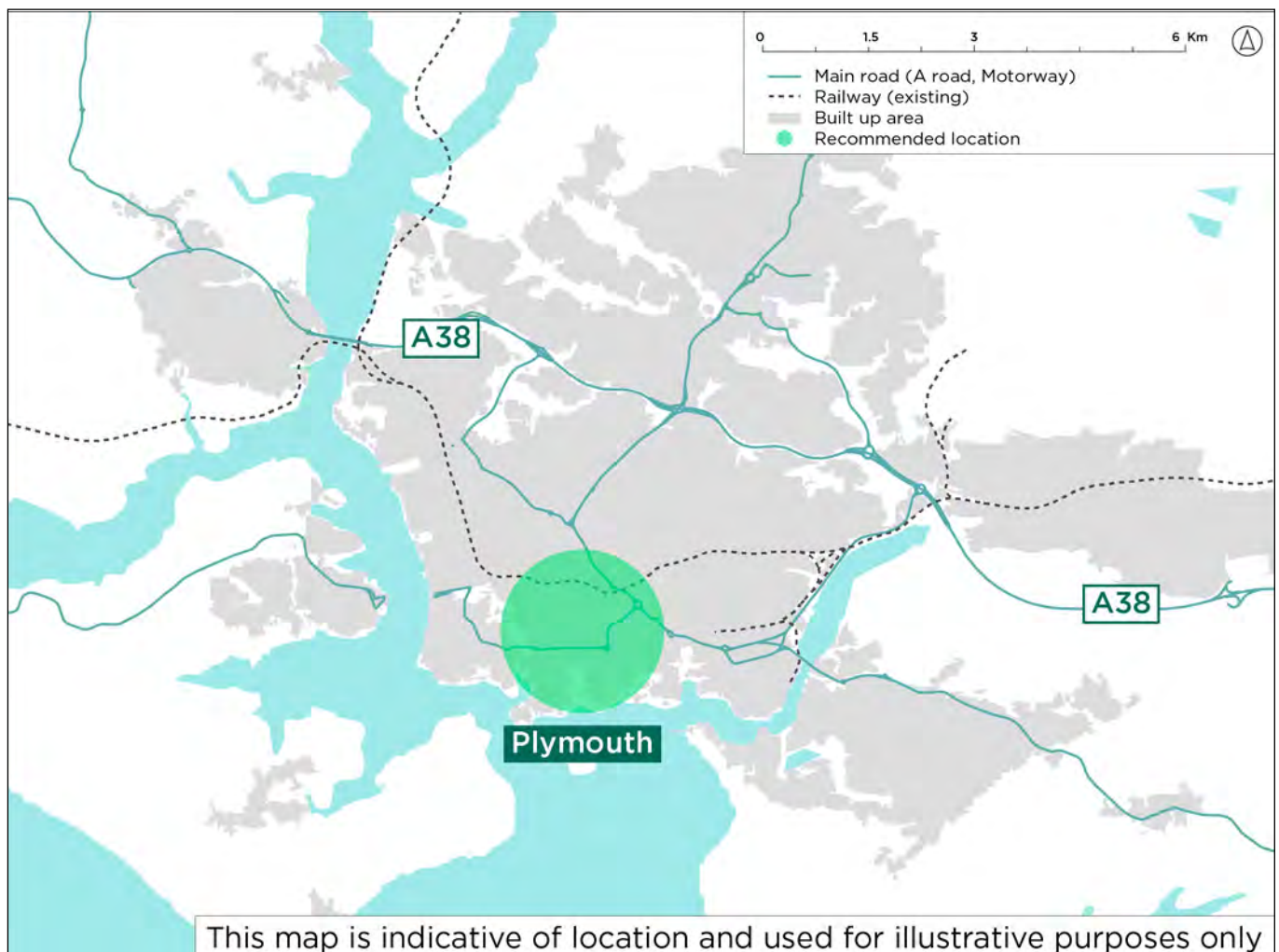
government support would facilitate a joined-up approach to city centre densification and increase the diversity in the housing market, alongside public realm improvements that would make the city centre an even more desirable place to live.

Milton Keynes City Council are an enthusiastic agent for the proposal and a renewed town approach in the city could deliver transformative, community informed development in one of the country's original new towns.

Plymouth

The new town proposal in Plymouth is an opportunity for a new town within the city centre and surrounding area, delivering over 10,000 homes across multiple sites. This would transform the centre of Plymouth, which currently only has around 1,000 homes in the city centre core, creating ‘Britain’s Ocean City’, and developing a market for city centre living. New town status could act as a catalyst for new residents, especially those with the most sought after skills.

A new town designation could be the next stage in Plymouth’s reshaping, following on from Abercrombie’s post-war Plan for Plymouth. The proposal started life as an urban regeneration scheme, and careful thought will have to be given to achieving the vision of having a coherent new town identity in the city centre. Homes England have agreed a new strategic partnership with Plymouth to support a transformational regeneration of the city centre and surrounding area, and would be well positioned to help



bring this vision to life – potentially even before a formal delivery vehicle is established.

The key driver for the new town is the Ministry of Defence's commitment to invest an extra £4.4bn in Devonport, Western Europe's largest naval base, over the next decade, with an additional commitment to the nuclear deterrent programme until 2070. This is a rare long-term financial commitment, and the scale of expected growth is significant, with thousands of new jobs expected in construction, engineering, and logistics. By 2040, over 25,000 additional economically active residents will be needed.

While the naval base is crucial to the expected growth, Plymouth's economy has other strengths. It is the national centre for marine autonomy and has the highest concentration of manufacturing employment on the south coast of Britain, with a focus on automation, robotics, and process engineering. A new town provides a unique opportunity to capitalise on the Ministry of Defence's long-term investment to deliver growth that benefits Plymouth residents as well as supporting the defence of the realm.

Although housing in Plymouth is comparatively affordable to other parts of England, with the median house price being 6.41 times the median income in 2024,¹¹³ there is a lack of good quality housing – especially in the city centre – and new quality housing is the missing piece of the puzzle in attracting much needed highly-skilled workers. There is an ongoing £50m public realm regeneration project, and the city already

benefits from access to a rich natural environment in the form of Plymouth Sound and nearby Dartmoor.

While the proposal is to meet the 40% gold standard of affordable housing, some of the first housing sites are likely to include lower levels, given the ambition to introduce a wider range of housing options to attract a new demographic. Failure to deliver good quality housing will mean that the expected new jobs are either filled by long-distance weekday commuters or growth in crucial defence industries will be constrained. As things stand, Plymouth's working age population is projected to be static over the next decade – and this is not due to lack of expected jobs growth.

While the majority of the homes in the first phase (3,800 by 2035) are allocated in the Local Plan, housing delivery in Plymouth has become very challenging in recent years due to increasing struggles with financial viability. Plymouth City Council have cited high-build costs, increased interest rates, supply chain challenges and availability of skilled labour as driving these struggles. Without government support, housing is likely to come forward only in a piecemeal fashion, and too slowly to support the jobs need over the next decade. Just 236 net additional homes were built in Plymouth last year (compared to 1,372 pre-Covid).¹¹⁴

In addition, local stakeholders believe that new town branding would be instrumental to attracting new people to live and work in the city. This would include promoting the city to other parts of the UK and beyond via the new town brand (particularly given the need to compete for highly-skilled workers in

¹¹³ ONS, [House price to residence-based earnings ratio](#), March 2025

¹¹⁴ GOV.UK, [Live tables on housing supply: net additional dwellings](#), live table 122

a global market). Proving the concept of Ocean City living quickly enough to attract a critical mass of the new workers needed over the next decade to live in the city centre is likely to be difficult. There are interdependencies with public realm regeneration, and it will be important to demonstrate success early to encourage investment in Plymouth by developers and other investors not currently active in the area.

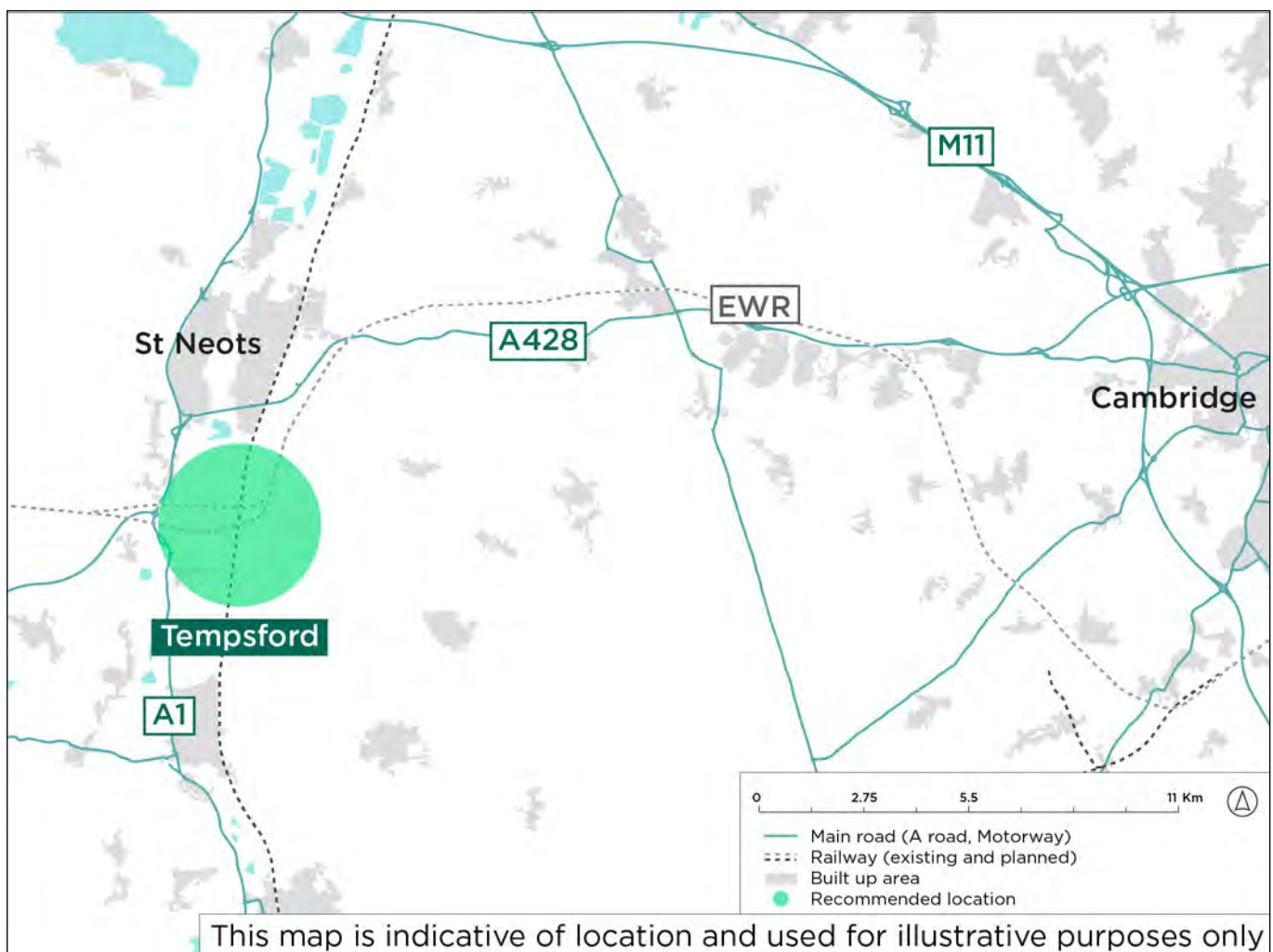
On delivery, while key stakeholders have set out their confidence that construction supply chain issues of the last few years are resolving, given the scale of the proposal it is hard to see it being delivered in the current form in the near future without some sort of major intervention from central government. As above – financial viability is likely to continue to be very challenging until the concept of town centre living is demonstrated – and Plymouth City Council have set out the need for a significant revolving fund to help meet upfront costs such as land assembly. The City Council own much of the freehold but not the leasehold, with over 1,000 different titleholders in the city centre.

The proposed new town in Plymouth is a compelling opportunity to transform a city which sits at the centre of the UK's Defence Industry, attracting and retaining skilled workers through high quality development and placemaking.

Tempsford

The new town proposal near Tempsford in Bedfordshire is a unique opportunity with potential to provide over 40,000 homes in a standalone greenfield settlement at the intersection of the East Coast Main Line (ECML) and East West Rail (EWR), in the heart of the Oxford-Cambridge Growth Corridor. The proposed EWR station would provide excellent connectivity for new and existing residents taking an ‘infrastructure-first’ approach.

Designation as a new town would make sure development around the proposed station aligns with the government’s ambitions to build cohesive new communities in well-designed and well-built places, securing the full potential of the site and ensure new town placemaking standards are met. A new town would maximise value for money on the significant public investment in EWR, has been designed to unlock economic growth by connecting key towns and cities, and supporting new housing and employment opportunities



in the Oxford-Cambridge Growth Corridor. In January 2025, the Chancellor announced that a new ECML Station at Tempsford would be accelerated which would enable north-south rail connectivity.¹¹⁵ At the 2025 Spending Review, £2.5 billion was allocated to progress the delivery of EWR.¹¹⁶

Tempsford residents will be able to quickly access both Cambridge and Milton Keynes, opening up access to the two-million strong jobs market across the Oxford Cambridge Growth Corridor. Additionally, EWR and the ECML will provide strong links to other key towns and cities such as London, Oxford, Leeds, Newcastle and Edinburgh. The A428 Black Cat to Caxton Gibbet scheme, which is currently under construction, will improve traffic flow for residents and significantly improve access to the national road network, via the A1, A421 and M1.

The potential scale of development provides the opportunity for Tempsford to not only contribute to the economic growth of nearby centres but also act as an economic hub in its own right, particularly through the provision of lab space for life sciences and other employment opportunities. There is also an identified need for supporting health infrastructure within the wider geography, including a live debate about whether there is the need for a new regional hospital.

A new town at Tempsford could help to relieve the housing pressures in nearby Cambridge, without driving skilled workers outside of the region. The average house price in Cambridge is over £500,000 and is rising, driven by high demand and a shortage of supply

of homes for sale in Cambridge.¹¹⁷ As of 2024, median house prices sit at 10.94 times median earnings.¹¹⁸

As a standalone greenfield settlement, Tempsford would require significant upfront infrastructure investment to maximise its potential. However, the scale of the investment needed is matched by the economic opportunity. There may also be opportunities to capture land value uplift to recoup public investment. There may also be viability challenges with reaching the 40% affordable housing gold standard in the initial phases.

The new town site might extend across multiple local planning authorities and the area has a history of collaboration between councils to deliver growth. Strong leadership by central government and proactive collaboration across local government will ensure coordinated planning and delivery and ensure that the potential of the site, both in terms of the economy and housing, is realised. A development corporation would likely be an appropriate delivery vehicle for a town of this scale.

A standalone new town in Tempsford provides an opportunity for exemplar development that could provide excellent housing and employment opportunities for people in the region.

¹¹⁵ [GOV.UK, Chancellor vows to go further and faster to kickstart economic growth, January 2025](#)

¹¹⁶ [GOV.UK, Spending Review 2025](#)

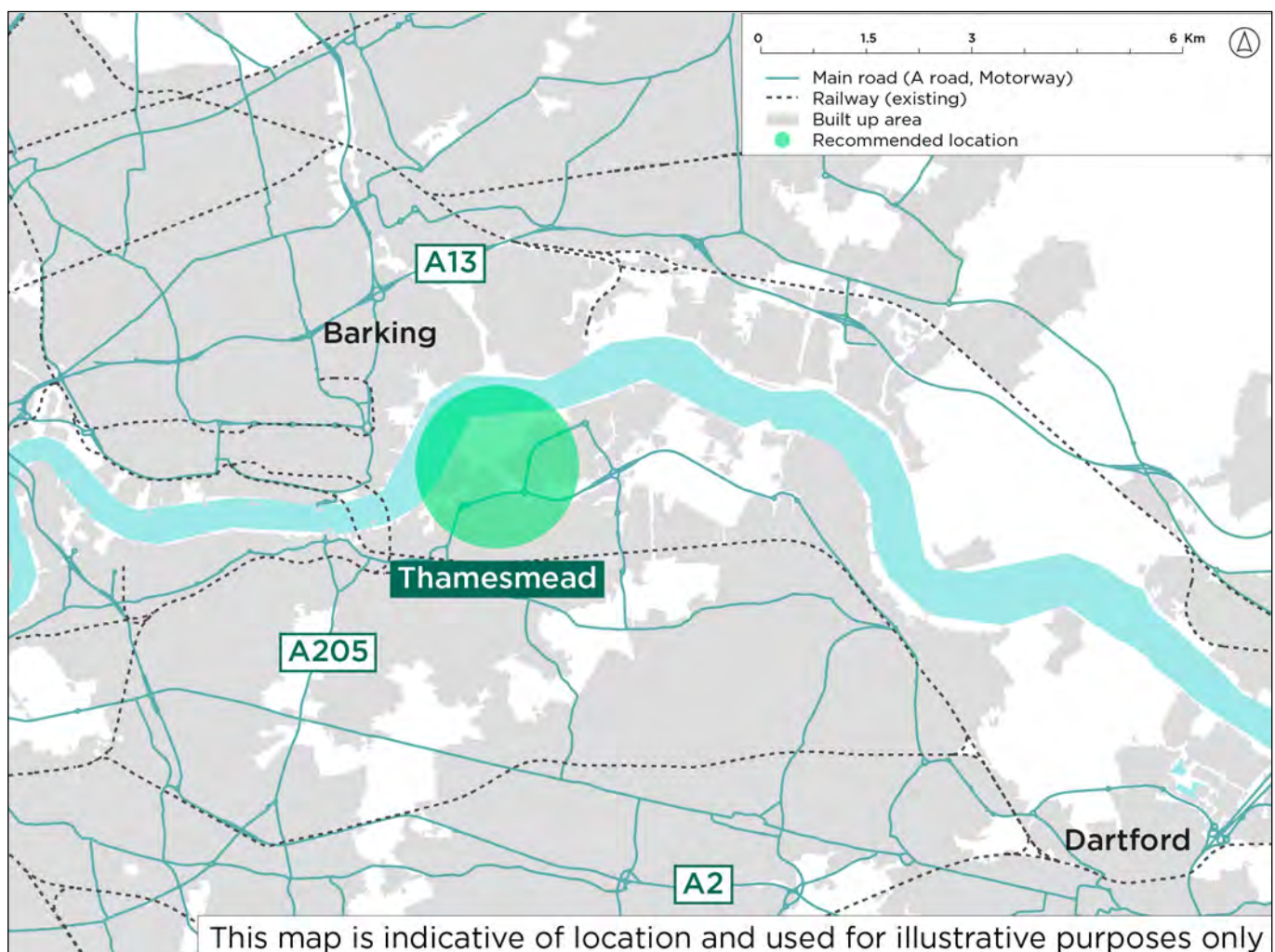
¹¹⁷ [ONS, Housing prices in Cambridge, July 2025](#)

¹¹⁸ [ONS, House price to residence-based earnings ratio, March 2025](#)

Thamesmead Waterfront

The new town proposal at Thamesmead Waterfront, situated in the Royal Borough of Greenwich, can deliver on an opportunity which has gone unrealised for decades. As part of the original vision for the post-war development of Thamesmead in the 1960s and the reconstruction of London, the land is currently an expansive 100 hectare brownfield site with capacity for 15,000 homes.

While significant development took place in the Thamesmead area, the full vision including the Waterfront site was not realised. Located on the banks of the River Thames in Greenwich, the site presents an opportunity for a brand new riverside settlement that makes the most of the green and blue assets in the area. Through this opportunity, the original promise of the Thamesmead new town can be renewed – creating a modern, vibrant, waterfront community that benefits and reinvigorates wider East London.



Given the inaccessible undeveloped land that can form the new town, it is an opportunity for a new settlement within the capital which also enhances the existing wider Thamesmead area. There has been a long-standing desire to connect the Waterfront site to the London transport network, bring the land into use – new town status could be an opportunity to finally realise this historic vision.

London is a vital part of the UK economy, but its potential is held back by high house prices, with median house prices being 10.09 times median earnings in Greenwich in 2024, impacting productivity. The wider Thames Estuary area has long been identified as a potential growth area. The Thames Estuary Growth Board estimates that the region has the potential to create 1.3m jobs and add £190 billion to the national economy by 2050. Thamesmead Waterfront could be an anchor development in the wider Thames Estuary – attracting a diverse range of businesses and services and enhancing the area's economic resilience and long-term sustainability.

With acute housing pressures in the city, the scheme is a cornerstone of the GLA's plan to achieve its c. 88,000 homes annual housing target. A new town at Thamesmead Waterfront could play a major role in addressing housing pressures in East London. The government has already invested £23m in the area via Bus Rapid Transit system to unlock 1,400 homes. The affordability challenge in London is pressing, and in Greenwich the average house price is £477,000 compared to £290,000 nationally (May 2025), and average private monthly rent is £1,873, compared to £1,334 nationally.¹¹⁹

The majority of the site is held by only one landowner (Peabody, who are delivering the project as part of a Joint Venture with Lendlease and The Crown Estate). The opportunity for development at Thamesmead enjoys widespread support, including the Joint Venture, who led the new town expression of interest. We would expect these organisations to have a strong commitment to placemaking. Growth at Thamesmead Waterfront is key priority of the Mayor of London and is identified as a leading focus in the London Local Growth Plan. This is therefore an opportunity which already enjoys significant support with a clear route to delivery.

New town status could aid governance in ensuring delivery pace and placemaking, ensuring swift progress through the planning system. There is already an ambitious Joint Venture in place – designation as a new town could encourage the Joint Venture to deliver a genuinely great new place in line with the new towns placemaking principles. This is also one of the largest developable opportunities in London that is not part of the Green Belt.

There is also scope for a wider designation into the existing Thamesmead area, with scope for up to 7,500 additional homes, meaning the Thamesmead Waterfront site could be the core of a wider new town. Though the site is allocated in the Local Plan, a specific number of homes is not designated. Therefore, a Thamesmead new town would represent a significant additionality to current housing targets. There are further housing opportunities on the other side of the River at

119 ONS, Average House prices and rents: Cambridge, May 2025

Beckton where 10,000 homes could come forward that are also linked to the Docklands Light Railway (DLR).

Thamesmead Waterfront is a credible opportunity with existing momentum and support. However, if taken forward as a new town, the key challenge would be the significant new DLR infrastructure required to unlock the necessary housing density to achieve the full vision for place. If selected as a new town, there would need to be confirmed government support for the DLR extension before it can move forward to delivery. Without this being the case, Thamesmead Waterfront's opportunity cannot be realised. There would therefore need to be a commitment from HM Treasury, Department for Transport and MHCLG to bring this forward. There is also a need for funding support to remediate land given its brownfield status and various historic uses.

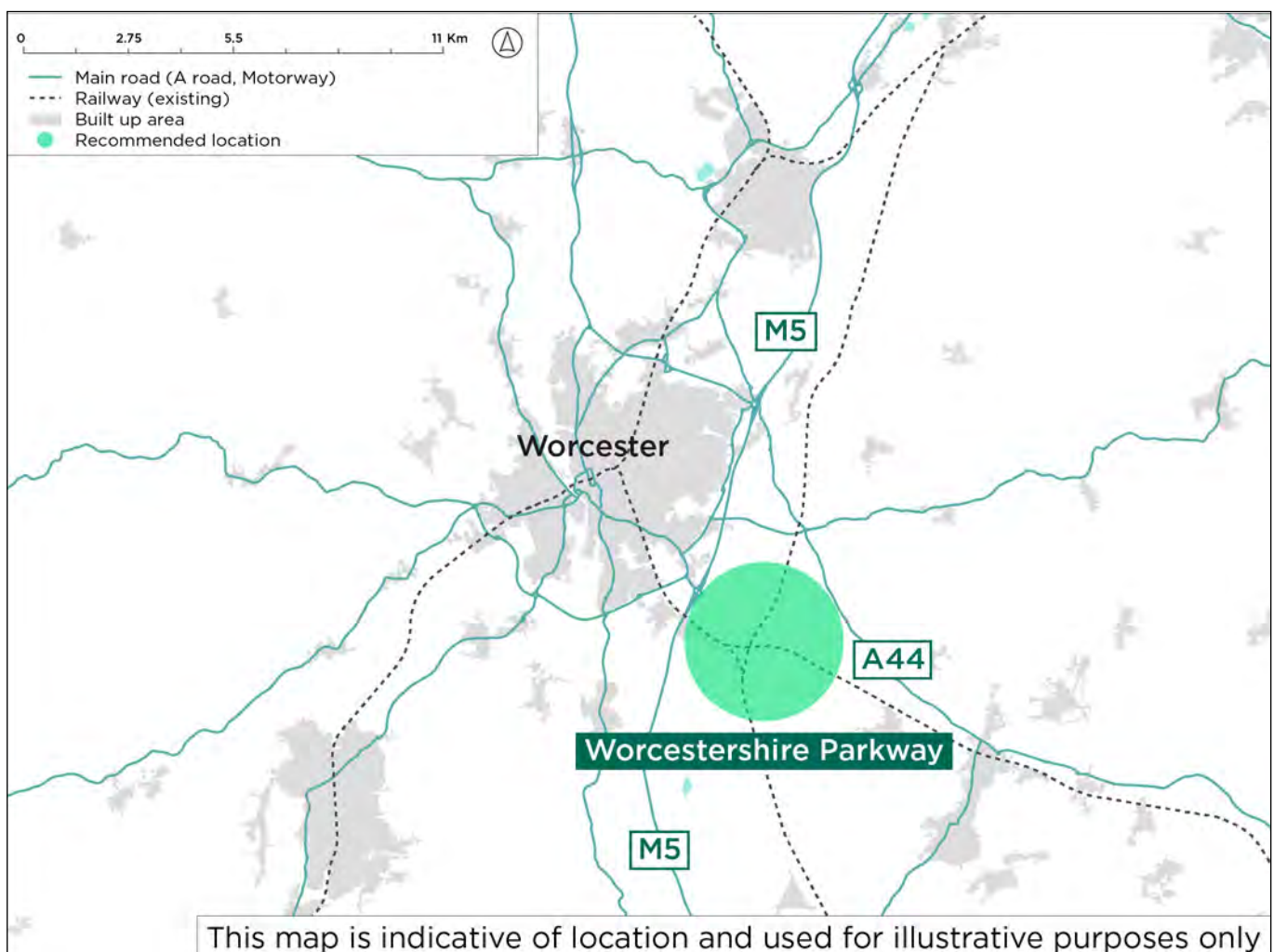
Regardless of what delivery vehicle is chosen, if designated the government should ensure that structures both enable pace and delivery while adhering to high standards of placemaking.

Overall, a new town designation at Thamesmead Waterfront, unlocked by a DLR extension, could optimise brownfield development, renew the wider Thamesmead area, and help to address London's acute housing pressures.

Worcestershire Parkway

The new town proposal at Worcestershire Parkway is a 1,130 hectare greenfield site based around an existing train station located to the south-east of Worcester, in Wychavon. There are currently plans for 10,000 homes on this site, but new town designation has the potential to bolster the speed and scale of delivery. New town designation would not only boost this delivery but also ensure quality of placemaking and sustainability by adopting the New Towns Taskforce placemaking principles.

Worcestershire Parkway benefits from supportive and ambitious local leadership and drive. The development's proposal is well-progressed and mature, ensuring pacy delivery of needed new homes in the region. An accelerated and expanded programme in the delivery of new homes here would be accompanied by high-quality infrastructure and take advantage of strong existing and proposed transport links.



Worcestershire Parkway presents an opportunity for the government to capitalise on the existing transport infrastructure and its strategic location. As announced at the Spending Review, the site will benefit from the development of the Midlands Rail Hub which will enable more frequent services towards Birmingham, Cheltenham and Cardiff.¹²⁰ Additionally, the site is only seven minutes by train from Worcester, thirty minutes by train from Birmingham New Street, and next to the M5, connecting the Midlands with the South West region. The site also benefits from direct rail connections to Oxford, London and Bristol.

This development has potential to create a thriving new community and unlock the potential of the region's economic growth. Worcestershire's £17.5 billion economy is worth around half that of Birmingham's and is growing.¹²¹ The county is home to 26,000 businesses including expanding sectors in cyber security and advanced manufacturing.¹²²

As set out in the government's Industrial Strategy, the neighbouring West Midlands city region is home to frontier industries from all growth-driving sectors, with strengths in automotives, batteries, and high-value services. Being one hour from both Oxford and Bristol by train, the site is also well connected to industrial clusters in the Oxford-Cambridge Growth Corridor and the South West, with world-class strengths in Life Sciences and R&D respectively.¹²³ Accelerated delivery at Worcestershire Parkway would support the future

growth of these economies by improving the supply of homes with ready access to jobs.

The site has been promoted to date by established strategic promoters and developers and, vitally, is supported by the combined local planning authorities (Worcester City Council, Malvern Hills District Council and Wychavon District Council) and a significant proportion of the land holding is in public ownership. Given this strong local support, early housing delivery from the site can be fast-tracked. The development has plans for 5,000 homes to be delivered within this planning period (to 2041), however, new town designation could accelerate delivery and ambition.

Housing affordability is a serious issue in this area, with Wychavon's median house prices being above the national average and 9.53 times median earnings in 2024.¹²⁴ In the West Midlands, house price growth has outpaced the national average, with the demand far outstripping supply in the region. The delivery of a new town at Worcestershire Parkway would significantly increase the supply of new market and affordable homes within a wide geographical area and would ensure that new homes are accompanied by the connectivity and amenities required to support growth and create mixed communities.

Further work is required to understand how accelerated and potentially increased delivery may require additional land assembly given multiple ownerships, as well as careful consideration on how to best intervene amid substantial existing promoter and developer involvement. Although there

120 GOV.UK, Spending Review 2025, June 2025

121 ONS, Regional gross value added (balanced) by industry: all ITL regions, April 2025

122 WLEP, Worcestershire Economy Report 2025, June 2025

123 GOV.UK, The UK's Modern Industrial Strategy 2025, June 2025

124 ONS, House price to residence-based earnings ratio, March 2025

are reasonable land holdings as a significant proportion is already in public ownership, the land is in fragmented ownership and will require co-ordination across these land ownerships or potential further acquisitions.

Government departments would need to collaborate further to deliver transport (including rail, highways, active travel and public transport infrastructure), as well as social infrastructure which is key to the success of the development. Additionally, this join up is vital to mitigate environmental impacts of the associated infrastructure delivery. Although the current masterplan proposals include compact development clusters, mixed-use town centres, green infrastructure and active travel, the government would need assurance that the site could meet all new towns placemaking principles.

Overall, government intervention in the form of a new town in this location has the potential to deliver significantly more homes than currently planned, while also achieving ambitions around high-quality design, sustainable transport, and a ‘town centre first’ infrastructure approach. New town designation would ensure delivery of a comprehensive approach, avoiding piecemeal development, to achieve unique scale and speed of delivery in the West Midlands whilst supporting the region’s economic growth.



Unity Place, Brent, London. © Paul Riddle



Placemaking Principles for New Towns

126. **Recommendation 3:**
We recommend that the government sets out clear placemaking principles to form the basis of any new town masterplan, statutory plan and subsequent development proposals.
127. As set out in **Chapter 2**, new towns must both contribute to economic growth as well as providing a significant number of homes. However, this must be about more than building additional homes. New towns should have a strong vision and be masterplanned at the outset, with a clear strategy for delivering exceptional quality of development throughout its implementation phases.
128. New towns should be developed with a focus on creating thriving, inclusive and resilient communities. This will require thoughtful urban layout and coordinated provision of flexible and adaptable homes and workspaces alongside essential services, amenities and opportunities for cultural enrichment. New towns must also be designed to address environmental and climate challenges, ensuring they are fit for purpose well into the future.
129. The design of new towns should be complemented by a long-term strategy for management and maintenance of communal facilities, green spaces and public realm. This will ensure that each new town is not just a place to live, but to live well. Delivery of new towns will take place over a long time period. They should therefore be designed and managed to reflect the changes in the way people live and work, as well as wider demographic profile trends and technological advances.
130. The Taskforce has developed the following principles which it recommends should provide the framework or foundation that every new town must be built on:
- a. **Vision-led** – Each new town should have a clear long-term vision for creating a well-designed and distinctive place, supported by a town-wide strategic masterplan and design code to ensure placemaking quality.
 - b. **Ambitious density** – New towns should be built at a density sufficient to enable residents to walk to local amenities, support public transport, unlock better social infrastructure, and create active and liveable neighbourhoods, with the government establishing clear minimum density thresholds.
 - c. **Affordable housing and balanced communities** – New towns should provide a diverse range of high-quality housing, with a range of housing types and tenures to suit the needs of a balanced community. This should include a minimum target of 40% affordable housing, of which at least half to be available for social rent.

- d. **Social infrastructure** – New towns should support thriving communities by ensuring access to schools, cultural, sporting and healthcare facilities, and other social infrastructure that meets new residents’ needs from the outset.
 - e. **Healthy and safe places** – New towns should be healthy and safe places which promote active lives for residents, with easily accessible green spaces and recreational facilities.
 - f. **Environmental sustainability** – New towns should be designed and delivered to embrace environmental principles, with buildings and neighbourhoods that are low carbon, climate resilient and which help to protect, restore and enhance biodiversity.
 - g. **Transport connectivity** – New towns should connect people to skills, jobs, services and amenities. This should include high-quality public transport, walking and cycling networks within each town and convenient connections into wider transport networks.
 - h. **Business creation and employment opportunities** – New towns must be places that provide jobs for residents and enable businesses to grow, supporting the government’s economic growth mission.
 - i. **Stewardship** – A sustainable stewardship model for new towns should be in place from the outset, including clear governance and funding structures to manage and maintain communal assets over the long term.
 - j. **Community engagement** – New towns should establish clear and effective ways to engage the local community in shaping the vision and proposals for their town, and empower residents to build social capital and help define the town’s cultural identity.
131. While the principles should inform all new town development policies and plans throughout their lifespan, the level of prescription and policy focus will likely vary from location to location, to allow room for innovation and to respond to local opportunities and challenges. The government should maintain a degree of central design and placemaking support and oversight throughout any future programme’s lifespan, while actively building local capacity, particularly in delivery bodies, and capability to share that responsibility over time.
132. **Further recommendations about the implementation of the placemaking principles is set out in Chapter 4.**

1. Vision-Led

Recommendation 4: Each new town should have a clear long-term vision for creating a well-designed and distinctive place, supported by a town-wide strategic masterplan and design code to ensure placemaking quality.

There are many benefits of a vision-led approach to creating new towns – from identifying critical issues and strategic proposals embedded in a detailed understanding of local opportunities and challenges, to establishing inspirational goals and a coordination framework for delivery by many partners, over long timescales.¹²⁵

At the heart of this approach is the ambition for each new town to have its own strong identity and a distinct feeling of place which residents can be proud of. This includes taking into account the town's role within the wider region, as well as the unique heritage and character of its local area.

The vision should be embedded in the town-wide strategic masterplan and design code, forming the basis for the development of a statutory planning framework in each town. The framework should include clear strategies and requirements for maintaining design and placemaking quality throughout the development of the new town.

While the long-term vision should be clear, each town's strategic masterplan and design code should allow a degree of flexibility to meet the evolving needs and aspirations of local people. They

should be periodically reviewed and updated through genuinely inclusive processes, to foster a sense of ownership and shared commitment between residents and delivery partners. This will help to build a successful place and resilient communities.

Further details about the Taskforce's specific recommendations for the delivery of new towns, including embedding a long-term vision can be found in **Chapter 4**.



Kings Cross Central: delivery of this large, mixed use development was shaped by a long-term vision and several rounds of public consultations, which resulted in a flexible masterplan designed for phased implementation.
© John Sturrock. Used courtesy of King's Cross Central Limited Partnership

¹²⁵ CABE, *Getting the Big Picture Right*, 2010; also in TCPA, *Health, Hope and Prosperity: a vision for healthy new towns*, 2024 and UDG, *Achieving Good Town Form*, 2024

2. Ambitious Density

Recommendation 5: New towns should aim to be built at a density sufficient to enable residents to walk to local amenities, support public transport, unlock better social infrastructure, and create active and liveable neighbourhoods, with the government establishing clear minimum density thresholds.



Edgewood Mews, London; high density, 50% affordable housing scheme built along a new pedestrian street, maximising efficient use of land and creating a place with distinctive character. © Morley von Sternberg

There are demonstrable economic and environmental benefits to higher density development.¹²⁶ Compared to the UK, many European cities build at higher densities,¹²⁷ and a future New Towns Programme presents an opportunity to adopt a similarly ambitious approach from the outset, recognising that density is difficult to increase retrospectively.

Well-planned urban density allows more homes to be delivered within a compact footprint, creating more space for parks, shared gardens, and community facilities. It also enables more people to live closer to employment, services, and public transport, reducing reliance on private vehicles and associated household costs.

Higher density does not mean high-rise development. It can be achieved through well-established and popular housing forms such as terraces and mansion blocks, which can maintain local character, and deliver attractive places and a high quality of life. Despite common misconceptions, well-located, higher-density areas, particularly those near transport and amenities, often command a market premium, reflecting strong demand for accessible, walkable, and vibrant neighbourhoods.¹²⁸

Density levels should be set to be compatible with the specific location and context. For example, the core centre of a new town should be at a higher density, which tapers out across neighbourhood centres, and lower in peripheries and suburbs. Establishing minimum density thresholds would give clarity and certainty to delivery partners. In parallel, delivery bodies should negotiate appropriate and ambitious densities within each town and commit to clear targets in the town's vision and masterplan.

¹²⁶ Ahlfeldt and Pietrostefani, The economic effects of density: A synthesis, 2019

¹²⁷ Cortinovis, Geneletti and Haase, Higher immigration and lower land take rates are driving a new densification wave in European cities, 2022

¹²⁸ Dunse, Thanos and Bramley, Planning policy, housing density and consumer preferences, 2013

3. Affordable Housing and Balanced Communities

Recommendation 6: New towns should provide a diverse range of high-quality housing, with a range of housing types and tenures to suit the needs of a balanced community. This should include a minimum target of 40% affordable housing, of which at least half to be available for social rent.

New towns should provide housing to suit the needs of different household demographics, including a variety of age groups and affordability levels, to create genuinely mixed communities. They should contain a range of housing typologies, including flats and houses, to accommodate different types of family sizes and structures. It is also important that they include homes for older people, as well as specialist housing built to accessible and adaptable standards.¹²⁹

The housing mix in new towns should include a range of tenure types, from affordable homes, including social rent and shared ownership, to homes for private rent and market sale. All new towns must also offer other opportunities such as self-build and community-led housing.¹³⁰

The Taskforce endorses the government's commitment of a gold standard of a minimum of 40% affordable housing in each new town.¹³¹ Where viability testing shows 40% is not achievable through land value capture alone, the government should provide

grant funding to meet the requirement. The Taskforce recommends that at least half of affordable housing in each new town should be homes for social rent. Any deviation from this target will need to be approved by the Secretary of State.

As set out in **Chapter 1**, well-designed affordable housing is key to addressing the current housing crisis and creating good quality places. **Chapter 4** also makes clear that setting an ambitious affordable housing requirement and clear expectations of delivery by landowners is also important for maximising land value uplift which can then be reinvested in places as they continue to develop and grow.

Further details about the Taskforce's specific delivery recommendations in regards to affordable housing and balanced communities, including funding, can be found in **Chapter 4**.



New Lodge Community, York: housing for older people including affordable extra care apartments, a nursing home, community hall and communal green spaces. © Robert Greshoff / PRP

¹²⁹ GOV.UK, The Older People's Housing Taskforce Report, November 2024

¹³⁰ GOV.UK, Independent review into scaling up self-build and custom housebuilding, August 2021

¹³¹ Angela Rayner, Speech at the UK Real Estate Investment and Infrastructure Forum, 21 May 2024

4. Social Infrastructure

Recommendation 7: New towns should support thriving communities by ensuring access to schools, cultural, sporting and healthcare facilities, and other social infrastructure that meets new residents' needs from the outset.



Clay Farm Centre, Cambridge: this community hub, funded by the development of 4,000 homes in Trumpington, includes a library, a medical centre, a community cafe, flexible rooms for hire, and two floors of key workers accommodation.
© Tim Crocker

Well considered and early provision of social infrastructure is critical in ensuring the success of new places. This includes education and health provision, as well as cultural facilities, and creative and faith-based spaces to enrich communities and open up opportunities for personal development. In particular, provision of GP surgeries and primary schools are consistently cited in resident surveys as the most important community facilities.¹³²

The approach recommended by the Taskforce, with community facilities delivered in tandem with the initial phase of jobs and housing, will encourage prospective residents to move to a new town and lay the foundations for resilient and healthy communities from the start. Early access to community facilities will also provide opportunities and spaces for people to meet in, reducing loneliness, poor health and enhancing social cohesion.¹³³

The delivery body and developers in each new town should engage with public and private sector providers of social infrastructure, to ensure it is delivered promptly and in line with community needs. They should proactively identify social infrastructure gaps, both within and beyond town boundaries, and consider opportunities to attract major cultural and educational institutions.

Further details about the Taskforce's specific delivery recommendations in regards to social infrastructure, including funding, can be found in **Chapter 4**.

¹³² Bennett Institute for Public Policy, Townscapes: A Universal Basic Infrastructure for the UK, 2023

¹³³ Frontier Economics, The Impacts of Social Infrastructure Investment, 2021 and in GOV.UK, Research about connecting with others via the local physical and social environment, January 2025

5. Healthy and Safe Places

Recommendation 8: New towns should be healthy and safe places which promote active lives for residents, with easily accessible green spaces and recreational facilities.

New towns should be designed to support healthy lives and the wellbeing of all residents, in addition to providing the core health infrastructure and recreational facilities outlined in the social infrastructure principle.

Neighbourhood design plays a critical role in shaping the daily lives of residents and must therefore be approached with intention and care.¹³⁴ A mixture of land uses will help residents and workers to easily access amenities, alongside supporting greater opportunities for active travel and public transport provision.¹³⁵

Public spaces, including parks, streets and squares, and community facilities such as sports and recreation centres and grounds, should be safe, attractive, easily accessible and affordable to all. These spaces and facilities not only encourage physical activity, but also foster social interaction and community cohesion, both of which are essential to mental and emotional wellbeing of residents.¹³⁶

In addition, plentiful green spaces and street trees greatly contribute to urban cooling, reducing health risks related to climate change.¹³⁷

The Taskforce encourages new towns planning and delivery bodies to consider ways of exceeding health outcomes achieved in other large-scale development. This could include adopting a Healthy Town policy from the outset¹³⁸, using established tools to create healthy places and to monitor and evaluate progress and health outcomes over time.¹³⁹



Elephant Park, London: a new park at the heart of this high-density development provides a biodiverse, easily accessible and inclusive social space for the local community.
© John Sturrock / Gillespies

¹³⁴ De Sa et al., Urban design is key to healthy environments for all, 2022

¹³⁵ Sport England, Active Design, 2022

¹³⁶ Local Trust, Policy Spotlight 1: How social infrastructure improves outcomes, January 2023

¹³⁷ Jungman et al., Cooling cities through urban green infrastructure: a health impact assessment of European cities, 2023

¹³⁸ Stewart-Evans, Koksai and Chang, Can the implementation of net gain requirements in England's planning system be applied to health?, 2024

¹³⁹ These tools could include Health Impact Assessments (HIAs), Housing Health and Safety Rating System (HHSRS) and Health Equalities Framework (HEF)

6. Environmental Sustainability

Recommendation 9: New towns should be designed and delivered to embrace environmental principles, with buildings and neighbourhoods that are low carbon, climate resilient and which help to protect, restore and enhance biodiversity.



Climate Innovation District, Leeds: a low carbon neighbourhood, which includes innovative housing typologies and a range of environmental design and construction features. © Paul Riddle

Strong environmental standards in the design and operation of new towns will ensure that these places deliver immediate benefits for residents, remain fit for purpose for future generations, and help deliver the UK's commitments on climate change and nature restoration.¹⁴⁰

To support this and ensure the right outcomes are achieved, the government could provide a sustainability framework for new towns. The framework should set out a clear environmental vision, highlight ambitions, set high standards, and identify areas for innovation where even more ambitious standards may be achieved.

This could for example include targets related to energy performance of buildings, renewable energy generation, as well as water supply, waste management, use of district heating and cooling systems, biodiversity and ways of dealing with flood risks.¹⁴¹

Particular consideration should be given to future climate risks, specifically relating to summer overheating, flooding and water stress. It is well-documented that the cost of dealing with the consequences of climate change is increasing year on year. Addressing these risks by adopting circular economy principles and regenerative design solutions offers a much more cost-effective approach over the long term, and should be a central tenet for the next wave of new towns.

¹⁴⁰ Climate Change Committee, *Progress in reducing emissions – 2025 report to Parliament, June 2025*

¹⁴¹ *Worshipful Company of Water Conservators, The New Towns Task Force and Water, 2025*

7. Transport Connectivity

Recommendation 10: New towns should connect people to skills, jobs, services and amenities. This should include high quality public transport, walking and cycling networks within each town and convenient connections into wider transport networks.

Effective transport within and beyond new towns is fundamental to unlocking their economic potential and enhancing the health and wellbeing of residents.¹⁴² A bold transport vision that promotes a range of transport options and reduces car dependency is critical to ensuring the success of new towns. This should be aligned more broadly with national goals on sustainable travel, health and access to employment.

New towns also present an opportunity to secure wider investment in transport infrastructure across their wider region. Early delivery of high-quality public transport and safe walking and cycling networks can shape long-term travel behaviours, positively influencing transport choices from the outset, and improve the viability of ongoing investment.¹⁴³ This approach not only reduces environmental impacts but also reinforces the role of new towns as drivers of inclusive economic and social growth.

To achieve the travel ambition, a long-term transport strategy should be integrated into the early stages of masterplanning, maximising existing infrastructure, and setting clear design standards for streets, parking, and freight

logistics. This is consistent with the vision-and-validate approach introduced in the December 2024 update to the NPPF, and should be supported by robust Travel Plans to monitor and achieve travel objectives, as well as dedicated funding to maintain the town's transport vision.

Further details about the Taskforce's specific delivery recommendations in regards to transport can be found in **Chapter 4**.



Manchester Second City Crossing Metrolink: a new metro line and active travel route integrated into the public realm, enhancing the character of the city centre.
© David Millington / Gillespies

¹⁴² GOV.UK, Chief Medical Officer's annual report 2024: health in cities, December 2024

¹⁴³ RTPI, Net Zero Transport – The role of spatial planning and place-based solutions, 2021

8. Business Creation and Employment Opportunities

Recommendation 11: New towns must be places that provide jobs for residents and enable businesses to grow, supporting the government's economic growth mission.



Poundbury, Dorchester: A significant number of jobs was created alongside new homes, with employers ranging from small independent, artisan businesses, to more established professional services and industrial businesses.
© The King's Foundation

The creation of businesses and diversity of jobs in new towns will stimulate the local economy, attract investment, increase spending and generate tax revenue.¹⁴⁴ New towns should create the enabling ecosystem for business creation and growth, providing much needed local jobs. A thriving business community is part of the crucial social infrastructure that residents in new towns need in order to meet their day-to-day needs.¹⁴⁵

To attract businesses, generate employment and foster enterprise and innovation, new town delivery bodies should develop an early economic vision and strategy alongside the town-wide masterplan. Subsequent proposals should support creation of mixed-use areas with a range of employment, commercial and retail space. A key part of this should be a framework for vibrant town and neighbourhood centres, informed by partnership with local anchor institutions.

New towns can play an important role in regional economies, complementing existing economic centres and establishing new hubs, with potential to focus on particular industries. In some of the more successful large-scale developments explored by the Taskforce, the active integration of commercial spaces into the design has enabled job growth to follow housing delivery and drive further employment opportunities. This should be considered in the context of the government's Industrial Strategy, ensuring that new towns play their part in supporting future growth sectors.

As explored further in **Chapter 4**, the process of developing new towns will itself generate jobs and provide opportunities for the creation of SMEs, as well as for training of the construction and related skills that can then be utilised in their buildout. As the new town continues to grow, they can drive demand for skills, and act as engines of economic growth.

¹⁴⁴ Centre for Cities, *A Century of Cities: Urban Economic Change since 1911*, 2015

¹⁴⁵ NIC, *Growth across regions*, 2025

9. Stewardship

Recommendation 12: A long-term stewardship model for new towns should be in place from the outset, including clear governance and funding structures to manage and maintain communal assets.

A key indicator of a successful and thriving place is whether it looks and feels well cared for over the long-term. The Taskforce has seen too many examples where places have not been provided with the support they need over time and have been allowed to stagnate.¹⁴⁶ To ensure this is not the case in new towns, it is vital that governance and stewardship of a place is considered at the outset.

In particular, it is essential there is a clear funding and management strategy for the ongoing maintenance, upkeep and renewal of all communal assets, both open spaces as well as social infrastructure that make a new town an appealing place to live and work.¹⁴⁷

Each new town's main delivery body should establish a clear stewardship model early in the development process, with defined responsibilities, funding mechanisms, and models of community involvement. They should explore governance structures, such as community trusts or public-private partnerships, that can own and manage assets effectively, adapt over time, and promote local accountability.¹⁴⁸

Crucially, responsibilities for stewardship must be clear, as well as how residents can provide feedback. The Taskforce supports local decision-making in collaboration with communities, developers, and councils and would encourage all new town delivery bodies to carefully consider this at an early stage.



The Parks Trust, Milton Keynes: this independent charity manages and maintains extensive public green spaces in Milton Keynes, engaging local communities in its activities.
© The Parks Trust

¹⁴⁶ TCPA, *A New Future for New Towns: Lessons from the TCPA New Towns Network*, 2021

¹⁴⁷ Pinsent Masons, 2024

¹⁴⁸ TCPA, *The Heart of the Matter: Emerging Lessons in Long-Term Stewardship*, 2022

10. Community Engagement

Recommendation 13: New towns should establish clear and effective ways to engage the local community in shaping the vision and proposals for each new town, and empower residents to build social capital and help define the cultural identity of the town.



Ebbsfleet Garden City: the Development Corporation overseeing the delivery of Ebbsfleet empowered residents to develop a series of events in their communities focusing on health and wellbeing, and encouraging social connectedness. © Ebbsfleet Development Corporation

Engaged and thriving communities should be at the heart of any new town. Effective community engagement in the design and planning of new towns can bring benefits to all.¹⁴⁹ Communities gain a sense of ownership over the resulting proposals, and delivery bodies get a locally accepted solution.¹⁵⁰

This can generate energy and buzz, and often result in better design outcomes. It also helps ensure the design of spaces and places meets the needs and is accessible by everyone at every stage of life, particularly those whose views are not always considered, building support for resilient and well-loved towns into the future.

Beyond the involvement in the design and planning of new towns, delivery bodies should consider and facilitate initiatives such as community-led housing and community gardens, and empower individuals and communities in establishing local societies and interest groups. This may require some modest ringfenced funding to kickstart such initiatives. Voluntary action driven by residents who have a stake in improving their town and supporting their communities, will help provide a sense of purpose and vitality to a new place.

Each new town delivery body should develop a clear community engagement strategy, which includes a commitment to a wider programme of community development, education and events. This should be developed along with a range of partners, including local cultural, faith and creative organisations, schools and environmental groups. It should establish foundations for community development to thrive and create connections between existing and new residents.

149 GOV.UK, National Model Design Code Pilot Programme Phase 1: lessons learned, June 2022

150 King's Foundation, Enquiry by Design, 2007



Goldsmith Street, Norwich. © Tim Crocker



Ingham, Northstowe. © Urban Splash

How to Deliver New Towns

133. Given the urgent need to address the housing crisis, the Taskforce has considered how to ensure both government and industry are prepared to deliver new towns as quickly and effectively as possible, from the moment ministers decide which places to take forward.
134. As set out in previous chapters, during its investigations **the Taskforce has heard a range of challenges involved in delivering new towns**, and indeed other large-scale housing developments. This includes the difficulties of co-ordinating delivery across complex sites and multiple interests, securing sufficient control when engaging with investors and developers, and the challenges of dealing with multiple government departments. The need to ensure that there are adequate skills and expertise in place, both among delivery bodies and in the wider construction sector, has also been consistently raised as an issue. More broadly, there **are significant strategic infrastructure challenges** that must be resolved to support the delivery and long-term success of new towns.
135. To overcome these challenges and take advantage of the opportunities of new towns to accelerate delivery of housebuilding whilst also ensuring the central role of placemaking, **the government will need to take an ambitious approach** to delivery. This will need to be based on early land assembly and driven by strong delivery bodies which are also able to innovate based on local circumstances and to engage confidently with local residents.
136. This chapter sets out the Taskforce's views on the most effective models of delivery as well as recommendations for how the government can address some of the more fundamental challenges for delivery set out in **Chapter 1**. This includes the Taskforce's view that **development corporations are generally best placed to deliver new towns**, particularly due to their powers of land assembly and their capacity to provide effective long-term certainty and stewardship. This is especially critical during the masterplanning phase, where an empowered development corporation with a clear mandate can embed a **long-term vision** for a place, in line with the **placemaking principles outlined in Chapter 3**.
137. It also explores **opportunities for greater private sector involvement** in delivery, particularly in advanced sites where partnership models may be more appropriate, ensuring high placemaking standards are maintained while **balancing risk and reward** across the private and public delivery partners. However, the Taskforce expects that even in these cases an overarching development corporation will likely still be required.
138. Beyond delivery models, this chapter explores some of the key considerations for the government to ensure that the **planning system**

is effectively set up to deliver successful new towns, and with an efficient **build out** rate. It also makes recommendations about how some of the wider challenges with regard to **skills** and **infrastructure** can be addressed, as well as recommendations for the **funding** of new towns, in both the short and longer term.

Land assembly

139. **Whichever delivery model is used, a key theme running through the Taskforce's findings is that the most effective way to exercise maximum control over a new town area is likely to be through ownership of land.** Land ownership allows the delivery body to directly influence the use of that land over the lifetime of the new town. As set out in **Chapter 1**, land ownership prior to planning and infrastructure provision has been highlighted by the CMA as a significant factor in successful delivery of large-scale settlements.
140. Our engagement has indicated that **public control over a greater proportion of a new town designated area leads to superior outputs.** Land ownership, if secured at the right point in development, will also unlock the potential for land value capture, minimising the cost of new towns to the public purse. The trade-off is that acquisition of land requires considerable up-front investment, generating higher value later on. The extent to which land ownership is needed depends on the importance of each parcel of land

delivering on time, to the required standards, and for good value, as part of the masterplan.

141. **Recommendation 14: Where there is a clear rationale for a new towns delivery body to acquire land, this should happen at the earliest possible stage.** This will ensure the community can capture the uplift in land value which takes place when planning permission is granted and infrastructure is put in place and reduce the net costs of new towns in the long term.

Development corporations

142. **Recommendation 15: To ensure control over land and provide the long-term certainty and stewardship set out above, the Taskforce recommends that the starting point for the delivery of all new towns is through the development corporation model.** This includes sites where there may be a greater role for the private sector, for example where existing developments are already ongoing. The precise model of development corporation and approach to land acquisition will depend on the specific circumstances of a place.
143. **The extent of the powers needed by a development corporation may differ depending on sites,** particularly where there are single dominant landowners or some existing planning permissions. However, as explored below, it is still anticipated that a development corporation will still be required in almost all cases.

144. **By providing a single point of accountability** development corporations can overcome institutional barriers, accelerate delivery, and ensure that development meets both local needs and national policy objectives. Their ability to operate at scale and with a clear mandate makes them a powerful tool for unlocking complex sites, assembling and retaining critical skills, and delivering transformational change on the scale required. Combined with long-term funding, this stewardship role can also ensure that the development of the new town continues throughout future political and economic cycles. The importance of this central point of accountability and long-term stewardship is demonstrated in the example of Cranbrook below.
145. Throughout the Taskforce's investigations, we consistently heard enthusiasm from both the public and private sectors for using a development corporation in the delivery of new towns. Lessons learned from previous new towns programmes show that **development corporations have consistently delivered higher build out rates than alternative models** and were effective at recouping the costs of development to the government over time.

Example: Cranbrook

Being developed by a consortium of private developers without initial public land control, construction began in 2011 amidst economic uncertainty following the 2008 financial crash. Financial support helped to share risk between the public and private sectors and address high upfront costs.

Within four years of the first residents moving to the town, further facilities had been provided including a railway station, regular bus services, community building with GP surgery, neighbourhood shops including a pharmacy and a through-school.

Despite these successes, challenges emerged, particularly around the town centre. A hoarding announcing 'Coming soon – your new town centre' was erected by the consortium in 2012 but the first town centre building, a pub, opened in 2017 and shops and a supermarket didn't arrive until late 2024. The town has a strong community, but residents remain frustrated by the slow pace of delivery of community infrastructure relative to housing growth.

The Council's ability to provide infrastructure and facilities was constrained by early political decisions to let the consortium lead Cranbrook's development.

There is a perception of market failure, with private sector value expectations hindering progress and public sector partners feeling they are battling an unseen spreadsheet. This has led to the strong sense on the part of the Council that it has ended up working with house builders rather than town builders. Consequently, the Council has become more interventionist, acquiring town centre land to salvage the original vision.

146. For example, development corporation-led new towns of 10,000 or more homes tend to have build out rates averaging 600 or more per year; whereas commercially-led large sites with masterplanned schemes (without government coordination) tend to deliver an average of c.150 homes per year, taking an average of six years from submitting a planning application to completing the first homes.¹⁵¹
147. **The CMA emphasised the role of development corporations in land assembly** in its 2024 report into the housebuilding market, including its ability to acquire majority ownership of land prior to planning and infrastructure.¹⁵² The importance of using development corporations to secure land from an early stage was also a conclusion of the 2018 Letwin review, including the ability of the development corporation model to facilitate diversification of tenure, explored later in this chapter.¹⁵³
148. **Development corporations have access to a powerful set of statutory and strategic tools, particularly where sites have less existing development activity.** These include Compulsory Purchase Orders (CPOs) to assemble land where ownership is fragmented or negotiations stall, ensuring that development can proceed without delay. The availability of compulsory purchase should be used carefully to ensure that negotiated prices are reasonable, but provide an important backstop where attempts to acquire land through pooling existing public land and negotiated acquisitions are not successful on the scale required by a new town.
149. **Development corporations also benefit from clear ‘no-scheme valuation’ rules when compulsorily purchasing land,** meaning the uplift in land value which might result from a new town scheme (including any planning framework) can be ignored in the price paid to landowners. The Taskforce also notes that the government is legislating through the Planning and Infrastructure Bill to ensure that compensation paid to landowners through the CPO process is fair but not excessive, and to increase the effectiveness of development corporations which will further strengthen this approach.
150. **Development corporations have significant planning powers** which allow them to allocate land for development, prepare and adopt masterplans, set design codes, and determine planning applications independently of local authorities. Their statutory role allows them to act as a central coordinating body, aligning infrastructure delivery, housing, and placemaking standards across multiple stakeholders. This is especially important in locations where multiple landowners, planning authorities, and stakeholders are

¹⁵¹ Lichfields, *Start to Finish 3: How quickly do large-scale housing sites deliver?*, 2024

¹⁵² CMA, *Housebuilding Market Study Final Report*, 2024: “5.232 By purchasing land without planning permission, before either developing the land themselves or selling on to housebuilders, LPAs could help reduce the price of land and, in turn, the price of houses built on that land, particularly where they can purchase the land without the ‘hope value’ associated with the expectation of achieving planning permission in future.”

¹⁵³ HM Treasury, *Independent Review of Build Out*, October 2018: “4.7 It is a feature of.. Development Corporations that these bodies can develop major new brownfield and greenfield sites in ways calculated to produce liveable new towns and city neighbourhoods that benefit from a wide diversity of housing to match the particular circumstances of local markets.



Site C, Upton © Richard Downer Photography

involved, and where traditional planning mechanisms may struggle to deliver.

151. **For the private sector, these powers of land assembly and planning ensure that new towns are a more certain, and therefore less risky, development opportunity.**

At the same time, public value created in the land can be captured and invested back in new towns to benefit the community and support the building of key infrastructure and affordable housing. Models of private sector involvement could include plot sales, contracts, or Joint Ventures for specific phases. In either case, the powers of development corporations form a solid backstop from which to negotiate partnerships.

152. The Taskforce welcomes recent changes in the Levelling Up and Regeneration Act and forthcoming Planning and Infrastructure Bill which now means the different 'types' of development corporation all benefit from the same powers. It also provides for New Town and Urban Regeneration Development Corporations to take on transport, traffic and highways powers if that becomes necessary. This will enable development corporations

to cut through bureaucracy and complexity and deliver necessary infrastructure at speed.

153. In addition to their planning and land assembly functions, development corporations can play **a crucial role in negotiating with central and regional governments to secure funding and support for major infrastructure projects.**

This is particularly beneficial in areas where relationships between local authorities are strained or where cross-boundary coordination is required.

154. **Recommendation 16: Whenever a development corporation is used in developing a new town, they should become the local planning authority.** As set out above, development corporations provide significant advantages of a clear mandate, authority and expertise to deliver large-scale development. A development corporation granted the powers of a local planning authority would enable streamlined, long-term strategic planning and facilitate effective navigation of the planning system.

Role of private partnerships in delivery

155. **Recommendation 17: Where they can demonstrate alignment with the new town principles, private sector partners and investors could play an important role in the delivery of new towns, including through public-private partnerships.**
156. Many of the new town sites shortlisted by the Taskforce already have active developers who have undertaken work to assemble land, finance a scheme, and in some cases, already gained planning permission. For these sites, **patterns of existing land ownership** may mean it would be more **beneficial to enter into a land partnership with existing landowners** and developers so that the right contractual agreements are in place to deliver quality developments and build-out. This is especially the case where significant development is already underway or landowners are interested in long-term involvement.
157. This may include consideration of **Land Partnerships or Joint Ventures** to **share risk and reward** fairly between public and private interests; accelerating high-quality work already in train. However, it is important that in such circumstances there is effective coordination between developers, to avoid some of the pitfalls observed by the Taskforce where this has not happened and has undermined the ability to masterplan effectively.

Joint Ventures

Joint Ventures with investors can be an effective tool for working with the private sector. They allow public sector partners to retain a stake in long-term outcomes, helping to shape development in line with policy goals while also capturing a share of the financial returns, without the government needing to make significant land acquisition.

Joint ventures can also benefit from consolidated governance structures and shared delivery teams, enabling more agile decision-making and coordinated implementation across complex sites than simpler contractual models. Under such arrangements, infrastructure funding can be secured through public investment, government grants, or borrowing powers. Additionally, contractual land value capture tools, such as overage agreements or deferred land payments, can help align financial incentives beyond what the planning system alone can achieve.

The key to successful Joint venture partnerships is retaining the leverage and safeguards to control public sector outcomes. Normal shifts in the market can lead to significant delays in delivery if profit expectations change for the private partner, with increased public subsidy the only option to ensure delivery. To ensure continuity over time, the government should look to achieve sufficient control over any Joint Ventures.

158. Although there may be clear benefits to working with existing private partners to support ongoing developments, this **should only be considered where the government is satisfied that the new towns will be delivered in line with the new towns vision**. In particular the government should only make such agreements where all partners can clearly demonstrate alignment with the relevant new town placemaking principles set out in **Chapter 3** and are willing to agree governance arrangements and commercial terms to protect them.
159. As set out above, in most cases, **even where private partnerships are put in place, it is still important that strong public governance is secured through an overarching development corporation**, led by a **single, publicly appointed chair**. This will ensure there is effective coordination between sites and developers, to avoid some of the pitfalls observed by the Taskforce where this has not happened and has undermined the ability to masterplan effectively.
160. **In return for meeting the ambitious new town principles, the private sector would benefit from the certainty provided by development corporations and their access to powerful planning and investment tools**, which in turn allows for faster return of capital employed. These tools include mechanisms such as Local Development Orders (LDOs) or bespoke planning frameworks.
161. Whilst the government develops its delivery strategy for each new town, **opportunities may also arise to work with the private sector for sites which are already close to being delivered, or where part of the new town site can be accelerated through a bespoke arrangement**. The government should keep an open mind in such circumstances as the loss of control may be outweighed by the benefit of accelerating delivery.
162. **Recommendation 18: Where local or combined authorities have a strong recent track record of housing delivery or have robust plans to develop capability to deliver on the scale required, they should play an enhanced role in delivery of new towns.** To provide certainty, the government should clearly set out the expected role that they should play in each location when confirming the delivery model for each new town, including how they can effectively feed into the process of delivery.
163. Strategic authorities like MCAs have the ability to work across local authority boundaries to identify opportunities for growth, using their mandate across the whole economic area to balance trade-offs and address the particular challenges in their area. Some locations will have existing delivery structures that can be utilised, for example some MCAs can establish Mayoral Development Corporations. However, this will depend on local circumstances, and not all MCAs will have the required fiscal headroom or will yet have the planning and delivery skills to build to the scale required by new towns.

Role of local government



Meridian Water railway station, Enfield, London @Enfield Council

164. This should be considered in the context of the government's commitment to establish a stronger partnership between Homes England and Established Mayoral Strategic Authorities, to ensure that delivery is responsive to Mayors' plans for their areas. The government has set out plans to grow the capacity of MCAs over time as they take on additional devolved powers. Provision currently exists for a centrally-led development corporation to transition to local authority control but, as explored later in this chapter, the appropriate structures should be put in place to enable potential transfer to Mayors in future.

165. The Taskforce also acknowledges that previous waves of new towns have included a prominent role for local authorities in both the commissioning of new homes and their direct construction. The Taskforce has seen evidence of some local authorities who have demonstrated capability in delivering large-scale settlements, and where a new town is of a suitable scale, they may have capacity to play a leading role in delivery. Local authorities should have a role on the governing body of any New Town Development Corporation to ensure that the interests of existing and neighbouring residents are represented, as well as supporting effective long-term stewardship.

Role of central government

166. **Recommendation 19: New towns must be treated by the government as a strategic priority as part of a coordinated cross-Whitehall approach.** As set out in **Chapter 1**, the success of new towns will depend to a significant extent on a coordinated drive across government departments and indeed key Arm's Length Bodies such as Homes England.
167. The immediate post-war new towns were driven by departments working together to achieve a shared strategic priority across government. To deliver on anything approaching the scale of that earlier wave, the government will have to seize the opportunity to be similarly ambitious and put the development of new towns at the heart of its agenda.
168. This is not just about ensuring the alignment of funding streams across departments, though this is of course essential. To effectively deliver new towns on the scale envisaged and create thriving new communities; all aspects of government will need to be closely aligned. This includes ensuring that departments responsible for public services such as health and policing have a clear strategy for new towns as well as a joined-up approach to provision of transport, utilities and wider infrastructure to support major new settlements, as explored later in this chapter.

Interim measures

169. **As development corporations can take one to three years to establish and longer to complete set-up, interim delivery models will also be key** to make progress on planning, local engagement, and local governance in advance of a development corporation being established. Homes England and MHCLG will need to begin developing delivery strategies for each location at the earliest possible stage.
170. Relevant leadership and experience in establishing new town-scale development projects is currently limited. This may necessitate pooling capability and some degree of deliberate phasing of new towns during the early delivery. This should be supported by a longer term strategy to share, incubate and build expertise.
171. This will require close working between Homes England and MHCLG to ensure that priorities and approach are aligned. The ability of Homes England to coordinate funding and unlock land for development will be key to successful delivery, but this must be in tandem with national policy priorities, supported by investment and robust use of regulatory powers by the government.

Interim protection of new town locations

172. **Recommendation 20: The government should immediately commit to an interim planning policy to protect new town locations.** There is a risk that while new towns are being established, other developments could come

forward, jeopardising the new town plans. The government should introduce measures to deter applications which might do this and should set out that the potential for effective long-term planning of new town proposals is protected. This policy would then be applied in decisions by local authorities. The government should agree with local authorities to review applications in these locations and also be clear that it is prepared to use its powers of call-in to take control of decisions on such applications. The Secretary of State would then be able to approve or reject applications as required.

173. This commitment should also set expectations about what the eventual plans for new towns will contain. This includes being clear that new towns will, subject to the necessary consultations and assessments such as Strategic Environmental Assessments, come with substantial economic and social infrastructure requirements. These include water, power, transport, and affordable housing, and sector-leading ambitions on placemaking, density and design.

174. **Recommendation 21: New town delivery bodies (whether a development corporation or an alternate interim body) should also, where relevant, deploy safeguarding directions.** In some locations, statutory safeguarding directions will be a useful tool to ensure the area of the new town is protected from competing development. Safeguarding directions are the most legally robust way of protecting sites from development that could block new town proposals, as they define a clear boundary within which land

is protected. However, they also require significant preparatory work. Where useful, delivery bodies should apply to the government to issue these in the period before full spatial plans can be established.

175. **Recommendation 22: New town delivery bodies should ensure early certainty for landowners by setting out what value they can expect for their land.** As discussed earlier in this chapter, the price paid for land will be a key part of ensuring effective delivery of infrastructure, affordable housing and placemaking in new towns. Inflated expectations among landowners could cause prices to rise while new towns become established after their locations are published. Delivery bodies should communicate early to landowners how they intend to set the acceptable costs allowed for land when the planning system calculates what developer contributions developments can pay (the ‘viability testing’ system).

Planning

176. **The planning system will be key in delivering many of the objectives of new towns.** The effective use of planning policies can support acceleration of housing delivery and ensure that placemaking principles are embedded in development. Planning consents are also a key part of the economic strategy for new towns, shaping incentives and providing certainty for landowners to build, as well as regulating supply over time.

Changes in the planning system since legacy new towns

177. Since the development of the 20th century new towns, the legal and policy context of the planning system has evolved significantly. Responding to this changed context will be vital if new towns are to be successful.
178. In particular, **public outcomes in development have substantially shifted to being delivered by regulation** (i.e. planning consent) rather than by public ownership. This has meant a greater reliance on private market actors, with the planning system looking to shape their behaviour through policies, tests, and duties. This expansion has been accompanied by **a greater range of tools for public authorities to shape outcomes**, including binding Section 106 agreements to provide affordable housing and Community Infrastructure Levy (CIL). However, this has not been without controversy, particularly regarding the confidence in quality of development once permission is granted, including concerns around safety and long-term stewardship.
179. Another key change has been **increasing attention by courts to the rights of property owners, following changes to the law**. Use of CPOs now needs to be preceded by genuine attempts to deliver public outcomes through negotiated agreements with landowners. Recent changes to the compensation payable to landowners whose land is acquired via compulsory purchase do not alter this fundamental change. At the same time, environmental legislation requires that any

development requires mandatory Environmental Assessment and mitigation to be considered.

180. Together, these changes mean that although there are some clear lessons to be learned from previous new towns, such as the centrality of land ownership and the role of development corporations as the main delivery bodies, the legal context for this generation of new towns is no longer the same. The section below sets out recommendations for how the planning system can be set up to support the success of new towns today.

Planning for new towns today

181. **Recommendation 23: Delivery bodies should make use of the planning tools available to them to support planning for new towns. Government should ensure wider planning policies are compatible with these tools.** This will enable the delivery body to select the best planning tools in each location. We propose this includes all Local Planning Authority powers, including new town specific local plans and development management functions.
182. As part of the **‘toolkit’**, we recommend that new town delivery bodies deploy a range of tools:
 - a. **New town-specific Local Plans.** New town delivery bodies could prepare a Local Plan, setting out the policies that will apply across its area. This would establish how ambitious placemaking principles would be delivered.
 - b. **Supplementary plans.** New town delivery bodies could prepare Supplementary Plans

to deliver targeted policies in specific quarters or across smaller new towns.

- c. **Outline applications.** New town delivery bodies could approve outline applications, either from developers or for land they own, which set the stage for delivery across large sites within their boundary.
- d. **Local or Mayoral Development Orders (L/MDOs).** New town delivery bodies or Mayors could issue L/MDOs which permit specific types of application that accord with rules agreed to provide consent upfront.
- e. **Special Development Orders (SDOs).** New town delivery bodies could, alternatively, secure an SDO from the Secretary of State which performed a similar role to L/MDOs above.

183. Within the delivery body toolkit, there is potential to develop a hybrid model that combines elements of both SDOs and L/MDOs. In this approach, key infrastructure could be delivered through an SDO, providing the necessary certainty and speed, while a supplementary L/MDO could be used to address more detailed or site-specific planning matters. The Taskforce acknowledges the opportunity this hybrid solution presents to secure essential infrastructure, enhance investor confidence, and accelerate delivery.
184. **Recommendation 24: The government must be clear on the interactions between new towns and Local Housing Need targets.** We heard consistently through our place investigations that whether and how these targets apply to new

towns will be a key issue of interest for local partners, with **strong support that homes delivered as part of new towns should count against these targets.**

Planning levers for Land Value Capture

The planning system can be used to deliver an element of Land Value Capture from development (both in new towns and in general). Local authorities can require developers to agree to specific 'developer contributions' when they develop sites. Developers can be required to deliver 'in kind', with planning policies in local plans requiring specific items of infrastructure, and levels of affordable housing. Alternatively, developers could be asked to contribute through cash mechanisms such as a 'roof tax', with contributions calculated according to when homes are built.

The Community Infrastructure Levy can also be used, alongside other tools, to require developers to pay a specific tariff, published up front, whenever land is developed that meets the criteria to pay the Levy.

185. In particular, we heard the view that **if new towns are without exception, additional to existing targets, this could be a disincentive for places to plan for a new town.** This could undermine the role of new towns as long-term strategic interventions aimed at avoiding piecemeal development. For example, if the area of a new town included sites close to delivery which local councils had included in their Local Plans, they may not

always be easily able to find further sites in the timescales envisaged by local housing targets.

186. However, the Taskforce does acknowledge that the government must consider this against a number of factors including its legitimate interest in early delivery of new towns. In any case, the Taskforce is clear that the **government should develop a clear position on this issue which can resolve competing priorities**, so new towns create genuinely additional housing in a way which is fairly reflected in local targets.

187. **Recommendation 25: The government should consider facilitating interim approval of planning applications before any new town-specific local plan is in place.** Planning applications within new town areas could be approved early, avoiding the need to wait until a full new town Local Plan has been completed, which can take several years in some cases. This could support early delivery of specific sites within a new town. The delivery body could then take up this role once established.

188. If the government decides to grant permission to certain sites before it has amended wider planning policies to support the 'toolkit' above, it would need to ensure that proposals have the right level of ambition for a new town. This includes a clear masterplan and approach to phasing of build-out, as discussed later in this section.

189. **Recommendation 26: The government should explore whether it can fast-track the statutory consultee process for new towns.** The government has announced intention to undertake

reforms in this area and should consider what more can be done to accelerate permissions for new towns to create a faster and more streamlined process. The current system requires bespoke case by case agreements with statutory consultees facing competing workloads, often leading to 'holding' responses blocking development.

Challenges within the existing statutory planning framework

190. **Recommendation 27: The government should consider reviewing the current legislative framework to ensure it is set up to support successful and accelerated delivery of new towns and other large-scale developments more generally.** A number of specific issues have been brought to our attention which create unnecessary barriers to successful delivery. The barriers within the existing framework need to be addressed to ensure that delivery bodies can respond flexibly over time.

191. It is also inevitable that as this new set of new towns are taken forward, further issues will be identified which require addressing. We therefore recommend that the government reviews the current planning framework to ensure it is fit for purpose to deliver this proposed generation of new towns.

192. As part of this, **the government should review how a suitable statutory planning framework can be put in place for new town delivery.** A flexible but strong statutory tool is required for a development corporation to set out its masterplan, one which

can create binding requirements for infrastructure and affordable housing. The government should consider a range of models here beyond often lengthy Local Plans. For example, the Taskforce heard proposals by the Scottish Government that land included in a Local Plan should automatically get planning permission in principle. In the new towns delivery context, masterplan requirements could be embedded within Local Plans and avoid having to go through subsequent planning permission processes.

193. **As set out above, the most effective delivery model for some new town proposals may be to hand over leadership to mayors and local authorities** in due course. However, there is currently no straightforward legal process for the government to do this for Mayors in the way that it can currently do for councils. Mayors are already playing a key role in housebuilding and regeneration in places like Greater London and Greater Manchester, so it is important that this is explored.
194. Though the Taskforce acknowledges that government has taken positive steps to support the delivery of large-scale development, we have heard that these changes in the law have also led to **anomalies and inconsistencies** in the existing new towns legislation. This includes the powers available to different types of development corporation. For example, the Compulsory Purchase Powers available for new town purposes are not fully equivalent to those used for other aims, as they cannot buy out leaseholds on Crown lands. The government may

wish to review this legislation to ensure it is fit for purpose for 21st century new towns.

195. The Taskforce has also heard concerns that there is **no current way to expand or change the boundary of a new town or development corporation once established**, and that to do so currently requires the same burdensome statutory process as setting one up from scratch. It is conceivable that boundaries of new towns might grow and change over time, so it is worth the government considering how to facilitate this.

Build out

196. **Chapter 1 makes clear that current system struggles to deliver large new settlements with high quality placemaking standards and a diverse range of housing tenures.** Accelerating housing delivery is a core objective and this section explores measures that can support accelerated build-out rates in new towns (the speed of housing completion once an implementable planning permission is in place).
197. Many factors influence the overall rate of development, but control of land is the single most effective route to influence build out. By having control over land ownership, it is possible to deliver greater public outcomes, often at a faster rate of development. While speed will always be influenced to an extent by market conditions, having this control enables a more strategic approach to choices on timing.

198. **Recommendation 28: New town masterplans should include specific measures to support accelerated build out.**
199. Beyond land ownership, specific planning policies can influence build out by shaping the market in which homes are sold. By appealing to a diverse range of people with different needs, and particularly emphasising the building of homes for rent as well as sale these policies can reduce exposure to fluctuations in any one any single segment of the housing market and encourage the involvement of a more diverse range of developers. This has also been a key conclusion of the recent Letwin and CMA reviews as mentioned earlier in this chapter. We therefore recommend that new town masterplans should include:
- a. **A mixture of housing tenure.**
In line with our ambition for balanced communities, including affordable and social housing, set out in **Chapter 3**, new towns should include a diverse tenure mix. This can be delivered through allocating plots for specific uses as well as through town-wide policies.
 - b. **A mixture of housing types, designs, styles, and sizes.** This can be delivered through clear requirements in the masterplan for diverse housing types. This should include offering detached, semi, terraced, flatted, co-living, modern, traditional, small, large, and other variations of housing.
 - c. **A variety of smaller sites, as these attract a more diverse range of developers.** Allocation of smaller sites can support smaller developers such as councils, Community Land Trusts and other models of community-led development, as well as SMEs, even where the development corporation does not own the land.
200. Within the planning 'toolkit', different approaches will be suitable for different scenarios. Once robust policies and developer contributions requirements have been put in place, permissive planning tools could also provide certainty for sites to come forward rapidly. For example, a Local Development Order could be used to grant consent for a self-build development or for a specific quarter, removing further delay, and supporting more SME builders.
201. **Recommendation 29: New town business plans should phase development effectively by flexibly advancing different tenure types across the early life of the new town.**
202. The careful phasing of new towns offers the opportunity to respond to these different sources of demand strategically to maintain delivery speed in different market conditions, while still ensuring the overall strategic masterplan aims are met. In particular, there is in most parts of England significant demand for affordable housing, given the wider shortage of this type of tenure.
203. The private rental sector also has a larger pool of eligible tenants, as renters are not subject to mortgage eligibility tests which are required for home ownership. A dynamic phasing strategy by New Town Development Corporations could therefore adjust tenure mix as conditions evolve to optimise cashflow, for example by starting

with affordable housing, with owner-occupied plots built to slower timings if needed.

204. Ensuring that the early phases of new towns are able to meet existing demand for different tenures will make it easier to establish communities more quickly, justify early infrastructure provision and amenities, and unlock private investment in supporting infrastructure and amenities. Evidence suggests this in turn will contribute to increases in land value in later phases of development that can be captured when land is sold at a higher price.
205. As explored elsewhere in this chapter, this can then be used to fund greater investment in infrastructure and other assets to support placemaking and continue to contribute to the value of land. This virtuous cycle will ensure that new towns continue to attract investment throughout their development cycles and are not left to stagnate.
206. **Recommendation 30: New town delivery bodies should develop robust strategies to secure local support for each new town.**
207. As set out in the placemaking principles in **Chapter 3**, the history of new towns and other large-scale communities demonstrates the importance of securing local support, which will be vital for accelerating delivery. This should include community engagement and empowerment, in line with the placemaking principles.
208. For example, development corporations should prioritise early delivery of infrastructure and community assets that meet existing local needs, clearly

communicating the benefits for local communities and businesses, and how the impact on existing infrastructure will be mitigated. The Taskforce has collated a series of case studies and lessons learned for effective approaches to securing local support which should be made available to developers.

Delivery standards and placemaking implementation

209. **As set out in Chapter 3, each new town should adopt core delivery standards to ensure they are built in line with the placemaking principles set out including those on density, environmental sustainability and community engagement.** Design and placemaking quality is key to successful implementation of new towns and creating lasting communities. The Taskforce has seen examples of varying quality during its investigations and feels strongly that high standards should be embedded within the delivery model, giving the public confidence that new towns will be designed to meet the requirements of those who will live there.
210. **Recommendation 31: Shared responsibilities between elected local government representatives and new town delivery bodies should be captured in a contractual deal with elected leaders with a stake in each new town location.**
211. As set out earlier in this chapter, even where development corporations overseen by central government are most suitable, elected local council representatives will play a critical role in delivery. Elected local leaders may sit



Brass Building, Accordia, Cambridge. © Paul Riddle

on the board of a development corporation, and local authorities and housing associations (also known as registered providers) may be development or housing management partners. Elements of these contractual arrangements could be made public to ensure greater levels of transparency and help build local trust.

212. **These contractual arrangements would also have to be clear on how the placemaking principles set out in Chapter 3 are to be integrated into the masterplan of any new town and subsequent development proposals.** Any negotiation process must be time limited and not reopen the scope of whether a new town is locally or centrally led, as this assessment should be made up front when the government agrees a delivery model.
213. As part of this, each **new town delivery body should ensure that the focus on place quality is reflected in their executive team and governance structure.** Key to

this will be a well-resourced and experienced **planning, design and placemaking client team.** Likewise, each delivery body should consider including appropriate **design and placemaking advocacy roles** in their governance structure.

214. The Taskforce heard that good governance is key to quality placemaking. Some development corporations have been criticized for a lack of transparency or quality of decision-making, which then erodes trust from the public and other stakeholders, slowing delivery. **The government may therefore also need to consider reviewing the provisions around the audit and governance of development corporations** to ensure they are sufficient to meet their responsibilities.
215. **Recommendation 32: The government should provide guidance on new town delivery which should set out the standards required for new towns.** This should include guidance on the

use of planning tools and the implementation of placemaking principles in different local contexts – signposting them to relevant national policies and best practice.

216. It is also important that this guidance is clear **how these delivery bodies can act as effective stewards of new towns over time**, avoiding some of the pitfalls of previous waves, and ensuring that high standards are maintained over time. To ensure a clear picture for developers, the **government should also ensure that it is possible to both comply with national planning policies and implement the placemaking principles**, including where developers want to go further than standards required by national policy.
217. In addition, the government might consider **establishing an independent place review panel**, to help local places translate the placemaking principles into strategic masterplans and deliverable local policies, and to advise in each location on design and placemaking quality of emerging proposals at different spatial scales. This would be **a single body which could be used as a resource by new towns** as and when they sought advice on delivery.

Skills

218. **The sustained nature of new towns delivery will create opportunities for long-term, secure, well-paid careers in the construction sector.** Building new towns will mean we need a larger construction workforce to meet the longer term needs of new towns, halting or even reversing the trend of a currently aging, shrinking workforce.

NHBC

NHBC has recently announced a £100m programme of investment to create 12 new construction skills training hubs, supporting 3000 apprenticeships per year. This is a positive example of the private sector investing in training, taking an innovative approach that complements the existing skills training system. These hubs can be set up rapidly in locations where labour demand is highest.

NHBC have adopted intensive block-release training. This means apprentices train for at least one full working week before returning to their employers. This intensive learning improves apprentices skills, by giving more time to fully master new techniques before they apply them on-site, making them more productive while they are still learning. This has led to higher than average achievement rates in terms of apprentices remaining in industry. On average apprentices attending NHBC hubs have also completed their apprenticeships faster than under the standard model in which apprentices attend college one day per week.

This is a model that could be explored to rapidly scale up training provision in locations when workforce demand peaks due to new towns delivery, supplementing public sector training provision.

219. The localised nature of new towns will mean targeted workforce growth may be needed in specific regions. Growing the workforce will mean an expansion of construction training opportunities and will call for focus and cooperation between employers, colleges and other bodies with an interest in growing the range of skills

220. **The delivery of new towns will also provide employers with the stable pipeline of work they need to have confidence to take on new trainees.** In return, the government should expect industry to provide more apprenticeships to train its own future workforce. In particular, the Taskforce has heard that on-site practical experience is the gold standard form of learning for construction, which for many trades is best provided through apprenticeships offered through the sector and opportunities for this should be facilitated wherever possible.
221. **New town delivery bodies should therefore seek commitments from delivery partners to work with training providers** to ensure there are enough trainers to provide high quality tuition and avoid workforce pipeline bottlenecks. Delivery partners will need to invest in upskilling their workforce as technology and construction techniques evolve over the duration of a future New Towns Programme.
222. **Recommendation 33: New towns delivery bodies should implement a robust skills strategy that regional training providers align with and which addresses current workforce shortages.**
223. As well as construction trades, the delivery bodies established for each new town will require talented and experienced staff including town planners, registered building inspectors, master planners, and fire engineers. The Taskforce's research has found that these skills are in short supply and the government should consider how to make most efficient use of them in the short term. This could include rotating technical staff between places in very early stages and bringing in more junior staff to shadow them to become the master developers of the future, but more significant intervention will likely be required to ensure that expertise is developed on the scale required.
224. In the longer term, delivery bodies should provide training opportunities to grow the pool of talent and build this base of delivery expertise. Together with MHCLG and HE, they should work together with DfE and Skills England to ensure that curricula are up to date, training is high quality and has sufficient practical content, and that employers are providing sufficient support to retain learners throughout and after their courses. As part of this, delivery bodies should engage with regional skills providers to ensure future demand is included in skills commissioning plans; and engage with local colleges to increase awareness of the opportunities.
225. This should include consideration of a range of organisational and professional development approaches to maximise the small pool of master developers currently available, while investing in skills programmes to grow the pool overall.
- Innovation in the construction sector**
226. **Recommendation 34: The government should work with delivery bodies to ensure that innovation in the construction sector is actively encouraged as part of the build out of a new town.**
227. As well as boosting the need for skills, new towns can also be a key enabler for driving the

scale of innovative construction technologies such as the various categories of MMC, including through the benefits of off-site construction.

228. As our placemaking principles make clear, the homes and commercial property in new towns will be high quality, which MMC can help to deliver by leveraging digital technology and off-site construction for some or all components.
229. As large-scale developments with the planning and placemaking principles established up front, new towns will provide a stable pipeline for housebuilders and manufacturers, which will support MMC sector growth and investment. The certainty of timescale and horizons beyond short term market cycles provide the foundations for confident long-term investment in the sector. Large-scale new towns may also provide an opportunity for creating new on-site MMC production facilities, fostering innovation at the same time as creating local employment opportunities and skills.

Innovation in planning

230. **Recommendation 35: New town delivery bodies should work with MHCLG, HE and the industry to adopt a digitally-enabled integrated approach to planning.** The delivery of new towns should benefit from the increasing digitalisation of the planning system. Digital innovation should be systematically applied to

transform planning, delivery and monitoring processes, fostering new ways of working and enhancing collaboration across stakeholders and statutory consultees.

Citu in Leeds

The Taskforce has seen a range of encouraging examples of effective investment in skills to support delivery, including by specific developers such as Citu in Leeds. As well as delivering homes with higher performance standards, Citu manufacture timber frame (category 2 MMC homes) in their factory built close to their development at the Climate Innovation District in Leeds. Having an MMC factory close to site reduces disruption locally and minimises environmental impact. The Homes Citu builds are also to Passivhaus principles, making them approximately 75% more energy efficient than a traditional home in the UK helping to lower bills for consumers.

231. For example, the government has published new guidance on creating Local Plans¹⁵⁴ and created a planning data platform.¹⁵⁵ New town delivery bodies can use state-of-the-art digital planning systems and data from the moment they are setup, which will streamline decision-making, improve transparency, and enable proactive community engagement throughout the planning and development process. This may allow some new towns to demonstrate the effectiveness of new digital approaches to

¹⁵⁴ GOV.UK, [Create or update a local plan](#), February 2025

¹⁵⁵ GOV.UK, [Planning Data Platform](#), 2025

planning, which could subsequently be adopted by the broader Local Planning Authorities and Strategic Authorities to improve the overall planning system.

Transport and utilities

232. **Infrastructure delivery could prove a binding constraint on new town delivery.** As set out in **Chapter 3**, essential infrastructure, including transport, utilities and social infrastructure is crucial for success. The Taskforce's placemaking principles recommend new towns come with high quality public transport networks and connection to wider transport networks. New town delivery bodies should therefore develop plans and strategies to future proof progressive upgrades of transport routes over time as demand develops.
233. Reforms currently underway by the government should provide an improved transport planning context for new towns delivery than has been available in recent years. This includes the ability for Mayoral Strategic Authorities to develop Spatial Development Strategies that can align housing locations with transport connections, including bus franchising, to ensure networks are strategically planned. However, the Taskforce encountered a range of particular issues related to transport and utilities through its engagement which are highlighted in this section.

Right-sizing infrastructure for new towns

234. **A key constraint on housing delivery is the impact of developments on the road network.** We have seen evidence that high-density, sustainable transport-focussed development is being held back by concerns that it will unacceptably impact the national strategic road network. Similar issues arise for highways authorities across the country in terms of impact on junction demand.

Example: Brabazon, Bristol

YTL (UK) Developments Ltd has secured permission for 6,500 homes in a dense, mixed use development at the former Filton Airfield which prioritises public transport and active travel. As a strategic scale development within the urban area, transport impacts were a key consideration through the determination process. YTL has agreed a monitor and manage approach with SGC and National Highways that includes an agreed package of mitigation for the SRN junctions that will be required only in the event that modal shift does not transpire in manner envisaged. Further densification is therefore reliant on continued investment in public transport.

235. The revised NPPF sets out that new developments should be planned for under a 'vision-led' approach. This means taking action over time to provide the conditions for people in new developments to use public and active travel, rather than pre-emptively adding road networks. A key barrier to implementing this

is assuring National Highways, in its role as steward of the strategic road network, that such plans are credible and having a mutually-agreed methodology for assuring against this as agreeing such assurance can take a significant amount of time.

236. **Recommendation 36: The government should move to a standardised and updated route to assessing the impact of development on strategic roads to allow for progressive monitoring of the impact from new development over time.** This would ensure the vision-led ambition can be met in practice. It would need to have the joint involvement of key partners such as the Department of Transport and Highways England. New town delivery bodies could also support this by future-proofing main corridors for progressive upgrades of transport routes over time as demand develops.

Regulatory cost barriers to urban mass transit

237. **New towns will need to connect effectively to existing regional transport networks to access jobs.** Various technologies could be relevant, including integrating existing rail lines within regional transport networks, and at the urban scale ‘mass transit’ such as tram / light rail and Bus Rapid Transit.
238. However, a range of reports and commentators¹⁵⁶ such as the National Infrastructure Commission¹⁵⁷ have observed that

for urban rail mass transit schemes, the UK has unusually high costs. Britain Remade found British tram routes cost more than twice as much those in the rest of the world, at £87m per mile against a Europe average of £42m per mile.¹⁵⁸ Anecdotally, we have heard from Mayoral Strategic Authorities that delivery of such schemes has often been frustrated by specific utilities regulations and planning conditions which drive unnecessary cost. Emerging technologies such as the Coventry Very Light Rail now offer a fresh opportunity to revisit these constraints.

Example: Coventry Very Light Rail

Coventry City Council has co-developed an innovative tram system with the potential to reduce costs by 40-90% compared to existing technology. The new track system requires removing only the top 30cm of the existing road, compared to up to 1 meter for typical tram tracks, by using shallow ultra-high performance concrete. This avoids the need for replacement of all utilities under the road, many of which are often un-mapped, resulting in costly surprises; and avoids the need to reconstruct the whole road. The system also avoids the need for long closures – a short trial track in Coventry city centre was installed in just 8 weeks, compared to up to multiple years for traditional track (albeit on much longer distances).

¹⁵⁶ Hopkinson, Infrastructure Costs: Trams, August 2023

¹⁵⁷ NIC, Infrastructure Costs Report and Annex A, 2024

¹⁵⁸ Hopkinson, Infrastructure Costs: Trams; Britain Remade, Tram Costs Database, 2023

239. **Recommendation 37: The government should review the regulatory and legislative cost drivers for urban rail mass transit schemes and provide guidance on reducing costs for future schemes and new settlements.** Identifying the right way forward will require detailed consideration with practitioners, Mayoral Strategic Authorities, and contractors who should be a central part of any review. The Competition and Market Authority's upcoming investigation into civil engineering costs in rail and road should also consider this issue.

240. The Taskforce would highlight that Network Rail has already identified savings of £156m over 5 years for heavy rail by streamlining standards and regulations.¹⁵⁹ A similar exercise for light rail and mass transit schemes should be undertaken to identify opportunities for cost reduction. This could include assessment of issues such as:

- a. The **lack of standardised national urban rail mass transit construction standards**, and resultant 'gold-plating' of schemes due to perceived project or legal risk, or use of excessive heavy rail standards.
- b. The **very high levels of utility replacement currently specified by guidance for light rail schemes**, and whether this could be changed in general, or to reflect technology advancements such as the Very Light Rail shallow tram track, which avoids the need to replace underlying utilities.

- c. The **need for multiple further planning permissions** even where a project has been approved with a Transport and Works Act Order.
- d. A **lack of 'intelligent investors' who can provide technical expertise alongside finance**, and whether the National Wealth Fund, in its role as project financier, could work with transport authorities to advise on scheme optimisation, as for example the Caisse des Depots does in France for tram schemes.

Region-wide funding mechanisms for public transport

241. **Recommendation 38: The government should consider how new towns could support delivery of the commitment in the 10 Year Infrastructure Strategy to diversify revenue funding for local transport.**

242. Having a wider regional public transport network to plug in to is vital to delivering sustainable new towns with access to jobs. New towns themselves would be unlikely to be able to fund region-wide transport upgrades. Therefore, **the wider capability of Local Transport Authorities to serve a new town is vital**, at both local and mayoral strategic authority level. However, at present many UK city-regions have much less public transport reach than similar European cities, with only 40% of people able to reach city centres in 30 minutes compared to 67% in Europe;¹⁶⁰ while UK cities are also less accessible by road than their US counterparts.¹⁶¹

¹⁵⁹ NIC, *Costs Report Final, October 2024*

¹⁶⁰ Centre for Cities, *Measuring up*; 2021; Balls, Turner and Stansbury, *Working Paper 24-12: Tackling the UK's Regional Economic Inequality*, 2023

¹⁶¹ Balls, Turner and Stansbury, *Tackling the UK's regional economic inequality: binding constraints and avenues for policy intervention*, *Contemporary Social Science*, 2023

Example: Milton Keynes

Milton Keynes has ambitious growth aspirations, with large amounts of land allocated in the local plan. New mass transit services could unlock access to more employment for these new residents. However, the council has limited financial tools to capture the longer term land value increases and additional economic growth these services would generate, which would allow them to borrow against these. Tools such as parking fees and congestion charging, aren't strongly linked to the growth and land value transport schemes create.

Developer contributions through the planning system can capture some of the value of the planning permission for community benefit, but this is only for a single point in time – whereas the benefit of a transport project is felt over many years.

Other local rates and taxes do not allow for increased revenue from a project to be kept locally in the predictable way needed to borrow against them.

With existing tools limited, the mass transit project could currently require national funding.

243. Commentators have observed that the higher proportion of city regions with mass transit in European cities may be linked to the abilities of these places to fund schemes by capturing the increased economic growth they unlock,¹⁶² without competing for national funds against priorities like defence or health. For example, Greater London was able to part-fund the 16 miles of the Elizabeth Line

within its borders through levying a supplement on business rates for high-value premises, without a ballot, an option not available to other cities like Milton Keynes (see case below). Similarly, French local councils are able to charge a 'transport levy' on major employers, helping pay for services and new infrastructure while increasing the workforce available to those same companies.¹⁶³

244. Having the **appropriate levers in place to profit from the wider economic benefits new transport creates** would mean future rising land values, created by transport investment, could be better relied upon to pay back costs, delivering a predictable means of long-term funding and also reducing the burden on the public purse.

Utilities

245. **Chapter 1** also identified that **the potential for the development of major new settlements is held back by lack of clear strategic frameworks to support the provision of essential infrastructure.** This is particularly true in the utilities sector. We have heard that the current system can only offer direct negotiation between providers and developers. This can work on small developments but fails to minimise costs and speed delivery for large-scale settlements. A different approach is required.

246. **Recommendation 39: New town delivery bodies should effectively co-ordinate infrastructure strategies, developing detailed**

¹⁶² Hopkinson, *How centralisation makes infrastructure more expensive, Yes and Grow (Substack)*, March 2024

¹⁶³ *Centre for Cities, Should transport in London be funded in the same way as in Paris?, 2022*

plans to ensure that the needs of residents are met. For example, development corporations have all the powers needed to provide utilities infrastructure directly where needed and enter agreements with providers, across water, power and heat networks. This includes ensuring that new towns can meet the demands of new infrastructure such as data centres as the town continues to grow.

Example: Ebbsfleet

Ebbsfleet Development Corporation has been progressing regeneration adjacent to Ebbsfleet International station. They have taken on infrastructure co-ordination for the whole site, agreeing innovative approaches to providing modular utilities access under the street without requiring excavation for every subsequent change; and agreeing with electricity providers to pay back the cost of 'up front' upgrades over time as different sites connect to the grid.

247. Whether water is an issue for new towns will depend on local availability. In very water-scarce regions, the potential for major new settlements will be lower. However, the Taskforce is concerned that where new infrastructure is required, the current regulatory and funding system for water, which envisages incremental change over time, is not set up to accommodate major new settlements.
248. **The government should consider a holistic systems approach to water planning.** A key issue raised

by the Taskforce is that there is a lack of adequate statutory framework guiding how major new developments can secure water supply. The Taskforce welcomes the Cunliffe Review report which examines long-term reform of the sector and recommends a systems planning approach including national coordination and regional plans.¹⁶⁴ Bespoke negotiations between developers and providers are required for every major new settlement, which can cause unnecessary delays. The successful delivery of new towns will require shorter timelines and simpler matching of investment to demand for water supply. This could be included as part of the government's response to the recommendations of the Cunliffe review.

Example: Water in new developments

The Call for Evidence brought to our attention a number of high-potential sites which could deliver tens of thousands of homes, but unfortunately water scarcity meant that these were not viable to take forward and would not have been able to deliver quickly enough due to uncertainties.

249. **In the short term, the water industry must act quickly to start planning for increased water capacity once the government decides on its preferred new town locations.** The water industry should offer increasing levels of analysis and commitment as the scale of

¹⁶⁴ Independent Water Commission, Final Report, July 2025

new towns increase. Water scarcity should be considered at each key stage of new town development, including selection of new town location; the securing of finance; and the development of the new town masterplan. The water industry should also commit to taking a long-term approach for Water/ Drainage Resource Management Plans for new town locations, to plan for additional investment.

250. **In regards to electricity, The Taskforce recommends existing powers are used by new towns delivery bodies to invest in key upgrades upfront.** New towns will mean growing energy demand. Combined with ongoing electrification of transport and heating, this will rapidly outpace existing infrastructure. An agile delivery strategy for electricity upgrades is therefore crucial. The electricity sector has mechanisms which could be utilised by new town delivery vehicles to develop specific enhancements, the cost of which can be recouped from later sites connecting over time.
251. **We expect the Future Homes Standard will mean no further gas connections to the traditional gas grid** so there are no specific concerns about that element of energy infrastructure.
252. **New town delivery bodies should ensure that new towns are designed with future digital needs in mind.** This includes reserving space for digital infrastructure, such as fibre optic networks and 5G connectivity, and embedding the timely rollout of new transmission technologies in its planning policies. This will ensure that new towns are

digitally resilient and able to support continued growth and investment into the future.

Social infrastructure

253. **The provision of social infrastructure is also fundamental to the success of new towns**, in making them not just housing developments, but fully functioning new communities that meet the everyday needs of residents, as well as fostering a sense of belonging and identity. By integrating schools, health services, and community spaces early in the development process, new towns can attract a diverse population and support economic growth.
254. Further details of the Taskforce's recommendations on social infrastructure are set out in the placemaking principles **in Chapter 3** which should be considered as part of any new town masterplan.

Funding and investment

255. This is an ambitious initiative which seeks to create thriving communities over the long term. It will need funding certainty from the outset to allow for successful delivery and attract private investment.
256. The recommendations in this section aim to contain net costs to the government, finance new towns in a way which ensures they are fiscally affordable, and account for the wider economic benefits that this investment brings. Over the long term, through the increase in land value and the increasing role of patient capital, new towns can offer financial returns from this government investment.

257. **Recommendation 40: The government will need to provide significant upfront funding for new towns.** As explored above, the public can ‘capture’ the increase in land value by buying land, before granting planning permission and building infrastructure, and selling this in ‘serviced parcels’ to residential and commercial developers.
258. Alternatively, government can enter into development agreements or joint ventures with private partners, ensuring that they share risks and returns, as well as make appropriate contributions to public infrastructure. The government will also of course be able to capture land value in the normal way, via Section 106 contributions from developers and the Community Infrastructure Levy (CIL). The ideal mechanism and timeframe to capture land value uplift will vary according to local circumstances.
259. **In the short term, new towns will require significant upfront government funding to establish the necessary delivery vehicles for sites and overcome major constraints to delivery.** The upfront investment required for each new town will vary and providing specific figures at this stage prior to relevant land appraisals, feasibility and cost studies would be unwise. Estimates based on averaged costs as published by other commentators should be treated with caution.
260. We are pleased that the government has announced £16bn for the National Housing Bank to help unlock large sites and private investment through a range of financial tools, as well as the £5bn of capital grant for the National Housing Delivery Fund (NHDF). New towns will need significant funding from the NHDF and suitable access to the National Housing Bank’s products. Funding should be sustained over the life of the development and growth of new towns.
261. **The overall net financial cost to the public sector of building new towns will be determined by the infrastructure need of each place,** as well as land and housing values, with housing construction costs being funded by private housebuilders.
262. **Recommendation 41: The government will need to make sure new towns have the appropriate funding and financing available over the long term to maximise private investment, including consideration of loans to delivery bodies.**
263. **Long-term certainty of funding is vital for the success of new town development.** When we have met with UK and international investors, including sovereign wealth funds, pension corporations, and asset management and investment companies over the last few months, they have made it clear that new towns are an attractive proposition. However, they have highlighted that the government must make sure that each place has a clear purpose, supported by empowered delivery bodies, and long-term certainty of funding, as set out in the recommendations earlier in this chapter.
264. **Initial government grant funding is needed to begin the process of establishing development corporations,** and to kick start relevant studies and investigations

to prepare for land acquisition. However, over time government investment in new towns should be largely repayable, as land and infrastructure investments generate returns.

265. The examples of previous waves of new towns show that long-term loans to delivery bodies can be paid back, but that places will require flexibility in their funding packages to realise returns over the right timeframe and to adjust to the changing commercial and delivery environment.
266. **Where they are used for new towns delivery, publicly issued long-term loans should empower development corporations to manage their budgets outside of the government's annual budgeting frameworks and the cycle of spending reviews**, giving them certainty to invest and enter partnerships with the private sector as set out earlier in this chapter. Lending at gilt rate will allow development corporations to manage budgets effectively.
267. We understand that as development corporation debt sits within the government's fiscal target debt measure, this may limit the extent to which they will be able to directly borrow privately to support new town development. This is a complex area of policy which must be considered in the round by HM Treasury as it affects all public corporations.
268. **There are some other opportunities for development corporations to access private capital. As explored above, joint venture arrangements and land partnerships are options for development corporations**

to leverage private investment outside of the government's debt measure used for fiscal targets.

This approach could come with benefits such as commercial expertise for new town development, and potentially giving the government access to already assembled parcels of land, as well as lowering the public capital outlay for new towns. However, there may be trade-offs in terms of more limited control and sharing land value uplift with private parties.

269. **Given the potential benefits of leveraging private finance, the government must ensure new town delivery bodies have the flexibility they need to partner with private investors.** This includes the ability to structure partnerships and investment models which attract long-term patient capital, aligned with public objectives. The government should also consider targeted interventions, such as offering guarantees, to help reduce costs of borrowing and attract investment.
270. **Engagement with private investors suggests that if delivered effectively, the new towns should attract UK and overseas capital at scale, both with short and longer term investment horizons.** We have seen development finance evolve over the past 20 years, including innovations such as 'Build-to-Rent.' The Build-to-Rent sector is one example of a recent innovation that has created a route for more patient investment in residential property which will be highly suitable to new towns, and could have benefits for delivery too by contributing to the diverse range of housing tenures discussed earlier in this chapter.



Timekeepers Square, Salford. © Daniel Hopkinson

271. We anticipate that new towns will begin to receive more private investment from 2030 as new town sites are de-risked, development corporations have been established, and there is a clearer view of the investible assets in each area. Over the long term this mix of public and private investment in new towns will deliver good value for money through increased land value.
272. **As set out earlier in the chapter, the opportunities for partnerships with the private sector will be place dependent and vary on length and type of financing,** and investor demand will be influenced by the specificity and clarity of proposition. The government should make sure that lessons are learnt from places so that an appropriate and transparent sharing of risk and reward is in place, and that standards are safeguarded.
273. Our engagement with investors made clear that masterplanning, planning certainty, stability and continuity are the requirements for an investible partnership. The Taskforce believes that the certainty of policy objectives, the strategic locations of new town locations themselves, and a stable funding environment will help incentivise private investment.
274. **Recommendation 42: The government must use all the available evidence to ensure that the wider benefits of new towns housing delivery are effectively appraised to inform public investment decisions.**
275. **As set out in Chapter 1, the provision of new towns infrastructure will often have wider benefits, beyond the delivery of housing for future residents,** for example, infrastructure will benefit the wider locality, and new towns could stimulate economic growth which benefits local people and businesses. The government must ensure it uses appropriate appraisal approaches to assess these benefits, both economic and social, which will help to unlock funding for the new towns and support future evaluation exercises.
276. Generally, new towns will have better net returns where they are built in areas with high house prices and locations where there is currently limited need for significant infrastructure investment. This must be balanced alongside the consideration that new towns outside of the areas with high land values could equally unlock potential economic growth and so generate returns for government

over time which can in turn be reinvested in infrastructure and public services.

277. The aim of delivering 40% affordable housing, with 20% social rent set out in the placemaking principles in **Chapter 3, will be a significant cost driver.** In some cases, where development values are particularly high, this will be viable without additional government intervention. However, in most instances doing so will require access to government grants. In this context, the Taskforce welcomes government's landmark £39bn commitment to social housing investment, which will be important to underpin the delivery of new towns.

278. It should also be noted that **there is a clear cost of not building new towns.** The failure to provide sufficient housing in well-planned and located communities is impacting negatively on economic growth, healthcare, education and the environment. Investment in new towns must be weighed properly against the wider benefits set out in **Chapter 1**, as well as the financial return for the government over the long term.

279. For example, the delivery of a high proportion of socially rented homes offers good value for money overall, and will contribute to a wide range of social and economic objectives in line with the new town principles. The Taskforce's selection of sites has therefore considered both immediate and longer term impacts of funding, and wider economic and financial benefits.

280. **Recommendation 43: The government departments responsible for infrastructure will need to prioritise for new towns as part of their future budgets.** We have also been engaging with major landowners to better understand the significant challenges in funding the required infrastructure for large sites. In particular we heard that many large sites are not seen as commercially viable without grant funding for infrastructure. This is due to rising construction costs, poor economies of scale, and insufficient serviced land value gains.

281. Given the likely breadth of infrastructure new towns will need over their lifetime, including social, transport and utilities, **departments across government as well as local partners must prioritise funding the infrastructure needs of new towns within their budgets**, both now and over the longer term.

282. As set out elsewhere in this report, including in the placemaking principles in **Chapter 3**, building in funding for infrastructure delivery early on is crucial for any future programme's success. However, such costs should not be seen as additional spending, above what would usually be required in the absence of this intervention. These costs arise due to population growth and historic underinvestment in infrastructure across the country and in many cases the scale of new towns will mean infrastructure spending in those areas will be more efficient. **The delivery of social infrastructure must be prioritised from the outset**, given a historic

track record of social infrastructure delivery being delayed or even avoided in housing developments.

283. As set out earlier in this chapter, we recognise the importance of recovering, where possible, the costs associated with infrastructure provision and other development subsidies through the delivery period of the new town. This goal is more easily achieved when land is held by a development corporation, which can coordinate delivery and capture land value uplift. It will benefit from clear and collaborative agreements with private sector partners.

284. **Recommendation 44: The government should explore the role of tax financing instruments within the financing model for each new town over the long term.**

285. **The use of tax as a means to fund infrastructure, accelerate delivery, and make new towns more affordable has precedent across major infrastructure programmes.** This includes the partial funding of Crossrail in London as well as international examples such as special tax districts in the USA to cover social housing and development costs. The government must explore the viability of this for each new town once there is a clear view of the infrastructure needs of each new town over the long term.

286. Beyond the boundaries of the new town, regional transport authorities will need the tools to capture the revenue benefits of local transport schemes so they can fund transport project. We look forward to seeing the results of

NISTA's study into these revenue raising mechanisms as set out in the Infrastructure Strategy.

287. Overall, the government must find a balance between setting out long-term funding certainty that creates an environment that allows successful delivery of new towns, with recognition that the funding and financial model of new towns will need to evolve over time as new towns move through different stages of delivery.



Annex A: Full List of Recommendations

Recommendation 1: We recommend that the government consults on the 12 recommended locations in this report as the next generation of new towns, with some sites able begin delivery within this Parliament.

Recommendation 2: We recommend that the government should reform its national infrastructure and planning processes to support its strategy for bringing forward future waves of new towns.

Recommendation 3: We recommend that the government sets out clear placemaking principles to form the basis of any new town masterplan, statutory plan and subsequent development proposals.

Recommendation 4: Each new town should have a clear long-term vision for creating a well-designed and distinctive place, supported by a town-wide strategic masterplan and design code to ensure placemaking quality.

Recommendation 5: New towns should aim to be built at a density sufficient to enable residents to walk to local amenities, support public transport, unlock better social infrastructure, and create active and liveable neighbourhoods, with government establishing clear minimum density thresholds.

Recommendation 6: New towns should provide a diverse range of high-quality housing, with a range of housing types and tenures to suit the needs of a balanced community. This should include a minimum target of 40% affordable housing, of which at least half to be available for social rent.

Recommendation 7: New towns should support thriving communities by ensuring access to schools, cultural, sporting and healthcare facilities, and other social infrastructure that meets new residents' needs from the outset.

Recommendation 8: New towns should be healthy and safe places which promote active lives for residents, with easily accessible green spaces and recreational facilities.

Recommendation 9: New towns should be designed and delivered to embrace environmental principles, with buildings and neighbourhoods that are low carbon, climate resilient and which help to protect, restore and enhance biodiversity.

Recommendation 10: New towns should connect people to skills, jobs, services and amenities. This should include high quality public transport, walking and cycling networks within each town and convenient connections into wider transport networks.

Recommendation 11: New towns must be places that provide jobs for residents and enable businesses to grow, supporting the government's economic growth mission.

Recommendation 12: A long-term stewardship model for new towns should be in place from the outset, including clear governance and funding structures to manage and maintain communal assets.

Recommendation 13: New towns should establish clear and effective ways to engage the local community in shaping the vision and goals for each new town,

and empower residents to build social capital and help define the cultural identity of the town.

Recommendation 14: Where there is a clear rationale for a new towns delivery body to acquire land, this should happen at the earliest possible stage.

Recommendation 15: To ensure control over land and provide the long-term certainty and stewardship set out above, the Taskforce recommends that the starting point for the delivery of all new towns is through the development corporation model.

Recommendation 16: Whenever a development corporation is used in developing a new town, they should become the local planning authority.

Recommendation 17: Where they can demonstrate alignment with the new town principles, private sector partners and investors could play a greater role in delivery of new towns, including through public-private partnerships.

Recommendation 18: Where local or combined authorities have a strong recent track record of housing delivery or have robust plans to develop capability to deliver on the scale required, they should play an enhanced role in delivery of new towns.

Recommendation 19: New towns must be treated by the government as a strategic priority as part of a coordinated cross-Whitehall approach.

Recommendation 20: The government should immediately commit to an interim planning policy to protect new town locations.

Recommendation 21: New town delivery bodies (whether a development corporation or an alternate interim body) should also, where relevant, deploy safeguarding directions.

Recommendation 22: Delivery bodies should ensure early certainty for landowners by setting out what value they can expect for their land

Recommendation 23: Delivery bodies should make use of the planning tools available to them to support planning for new towns. Government should ensure wider planning policies are compatible with these tools.

Recommendation 24: The government must be clear on the interactions between new towns and Local Housing Need targets.

Recommendation 25: The government should consider facilitating interim approval of planning applications before any new town-specific local plan is in place

Recommendation 26 : The government should explore whether it can fast-track the statutory consultee process for new towns.

Recommendation 27: The government should consider reviewing the current legislative framework to ensure it is set up to support successful and accelerated delivery of new towns and other large-scale developments more generally.

Recommendation 28: New town masterplans should include specific measures to support accelerated build out.

Recommendation 29: New town business plans should phase development effectively by flexibly advancing different tenure types across the early life of the new town.

Recommendation 30: New town delivery bodies should develop robust strategies to secure local support for each new town.

Recommendation 31: Shared responsibilities between elected local government representatives and new

town delivery bodies should be captured in a contractual deal with elected leaders with a stake in each new town location.

Recommendation 32: The government should provide guidance on new town delivery which should set out the standards required for new towns.

Recommendation 33: New town delivery bodies should implement a robust skills strategy that regional training providers align with and which addresses current workforce shortages.

Recommendation 34: The government should work with delivery bodies to ensure that innovation in the construction sector is actively encouraged as part of the build out of a new town.

Recommendation 35: New town delivery bodies should work with MHCLG, HE and the industry to adopt a digitally-enabled integrated approach to planning.

Recommendation 36: The government should move to a standardised and updated route for assessing the impact of development on strategic roads to allow for progressive monitoring of the impact from new development over time.

Recommendation 37: The government should review the regulatory cost drivers for urban mass transit schemes and provide guidance on reducing costs for future new settlements.

Recommendation 38: The government should consider how new towns could support delivery of the commitment in the 10 Year Infrastructure Strategy to diversify revenue funding for local transport.

Recommendation 39: New town delivery bodies should effectively coordinate infrastructure strategies for new towns to ensure that the needs of residents are met.

Recommendation 40: The government will need to provide significant upfront funding for new towns.

Recommendation 41: The government will need to make sure new towns have the appropriate funding and financing available over the long term to maximise private investment, including consideration of loans to delivery bodies.

Recommendation 42: The government must use all the available evidence to ensure that the wider benefits of new towns housing delivery are effectively appraised to inform investment decisions.

Recommendation 43: The government departments responsible for infrastructure will need to prioritise for new towns as part of their future budgets.

Recommendation 44: The government should explore the role of tax financing instruments within the financing model for each new town over the long term.

Annex B:

Summary of Stakeholder Engagement and Visits by the Taskforce

The below list recognises the groups of stakeholders engaged by the Taskforce

Stakeholder Group	Key Stakeholders the Taskforce has engaged with
Central Government	<ul style="list-style-type: none">• HM Treasury• Ministry of Housing, Communities and Local Government• Department for Transport• Department of Environment, Food and Rural Affairs• Department for Energy Security and Net Zero• Department of Health and Social Care• Department for Business and Trade• Department for Education• Department for Culture, Media and Sports• Department for Work and Pensions• Department for Science, Innovation and Technology• Ministry of Defence• Ministry of Justice• New Towns APPG• House of Lords and Local Government Select Committee• Housing Communities and Local Government Select Committee

Stakeholder Group	Key Stakeholders the Taskforce has engaged with
Arm's Length Bodies, Statutory Consultees	<ul style="list-style-type: none"> • National Infrastructure and Service Transformation Authority • Natural England • Environment Agency • The Forestry Commission • Historic England • Office of Rail and Road • National Highways • Homes England • National Infrastructure Commission • Valuation Office Agency • Office for Place
Local Government	<ul style="list-style-type: none"> • Local Government Association • Local councils and leaders • Combined Authorities and Mayoral Combined Authorities • District Councils Network
Developers, Housebuilders and Housing Providers	<ul style="list-style-type: none"> • National House Building Council • Home Builders Federation • Major Housing Developers • Housebuilders who deliver large-scale development • National Housing Federation • Affordable Housing Providers • Future Homes Hub
Real Estate and Landowners	<ul style="list-style-type: none"> • Private Landowners • Agents and Real Estate Advisors • Investors and Private Equity Firms • Country Land and Business Association • The Crown Estate • British Land • The Church of England

Stakeholder Group	Key Stakeholders the Taskforce has engaged with
Funding, Finance and Investors	<ul style="list-style-type: none"> • Banks and Lenders • Investors and Private Equity • Public-Private Partnership Experts • Community Land Trust Network
Development Corporations	<ul style="list-style-type: none"> • Existing and previous development corporations, including Old Oak and Park Royal Development Corporation, Ebbsfleet Development Corporation
Infrastructure Providers	<ul style="list-style-type: none"> • Transport Providers including Network Rail, train operating companies, bus and public transport operators • Utilities providers including Water UK, United Utilities, Water Conservators, and BUUK
Planning, Design, Architects	<ul style="list-style-type: none"> • Royal Institute of British Architects (RIBA) • Town and Country Planning Association (TCPA) • Royal Town Planning Institute (RTPI) • Royal Institute of Chartered Surveyors (RICS) • JTP Architects • Landscape Institute
Individual Experts and Think Tanks	<ul style="list-style-type: none"> • A number of academics and consultants engaged in spatial planning and relevant topics • Centre for Cities • Create Streets • Oxford Growth Commission • Association of Directors of Environment, Economy, Planning and Transport (ADEPT) • Culture Commons • National Forest Company • Urbed Trust • SQW • Living Streets • Human Nature Foundation • The YIMBY Initiative

