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Foreword

The UK housing crisis is well documented. The Office for National Statistics projects that the number of households in England will increase to around 28 million by 2039, requiring an average of more than 200,000 new homes to be built per year. To meet this need, along with addressing existing shortfalls, the UK Government's stated aim is to supply 300,000 new homes per annum by the mid-2020s, and one million new homes by the end of the current parliament.

These numbers require a dramatic increase in the delivery of new homes,
requiring a multitude of different interventions and a variety of different approaches appropriate to the local environment.

The Urban Land Institute (ULI), a membership organisation with a mission to provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide, has conducted research into the housing challenge previously, through its UK Build to Rent guides (I and II), the UK Later Living: Housing with Care guide, and its ULI Europe report Promoting Housing Affordability.

A natural extension of this research has been to evaluate how 'new community' developments in the UK could positively contribute to new housing supply, combined with other solutions such as Build to Rent and Later Living, as well as the densification of existing underdeveloped areas, and other measures, including the regeneration of existing towns and cities.

ULI UK, alongside Prior + Partners, a leading planning and urban design practice, set out to understand the key attributes a new community should have, the issues associated with creating fantastic new places at scale, and what lessons can be learnt from existing practice to inform future delivery.

During the course of 2020, we conducted a series of roundtable discussions with key industry leaders involved in the delivery of new communities in the UK, drawing on Prior + Partners experience in large scale new community planning and masterplanning, and the knowledge, expertise, and the experience of ULI UK's membership.

We concluded that over the long term, large scale new community developments can be part of the solution to the UK's housing crisis, as well as creating opportunities for fantastic new places to live. However, despite the intent, many of these new developments often never materialise, or when delivered, are frequently poor in quality and fail to live up to their promised potential. Furthermore, the current and future challenges facing our economy, society and environment including the climate emergency, technological advancements, and the recent experience of living through the Covid-19 pandemic, raise fundamental questions about the nature and function of our villages, towns and cities, and how they can support environmentally sustainable and healthy lifestyles.

Drawing on the rare examples of current good practice, we identified five core delivery principles and twelve foundations for success shared in this report, so that the UK's new community developments of the 2020's can together become 7 the best practice examples of the future, fit for the 21st century and beyond.

In undertaking this research and publishing this report, we seek to raise the level of ambition to improve the quality of homes and new community development delivered throughout the UK. By offering new insights and inspiration to all those seeking to be, or who are already actively engaged in the delivery of new towns, villages, or urban extensions, we aim to create the momentum for positive change.

The UK's housing challenge is deep and the creation of high quality new community developments that are distinctive, resilient and well connected, where people can live healthy and productive lifestyles, can be part of its solution. Continuing research into how best to address this challenge is an ongoing undertaking for ULI UK, and further understanding the role that new community development can play will form a core part of the ULI UK's annual programme over the next year.

Over the next year we will be bringing together individuals and organisations across the real estate and built environment industries and public sector, to further explore through roundtable discussions, site visits, and study tours, how the principles and foundations for success that we have identified can be delivered as standard moving forward, rather than by exception.

We hope that you enjoy reading about our findings so far, welcome any thoughts that you might have, and look forward to your participation in further discussions.

Vanessa Hale Chair, ULI UK



Jason Prior Prior + Partners



Setting the scene



Successive UK Governments have sought to encourage the delivery of new villages, towns, and cities. 9

Over the long term, these large scale new community developments can help address the UK's housing crisis, as well as creating opportunities for fantastic new places to live.

However, despite the intent, these new developments often never materialise, or when delivered, fail to live up to their promised potential.

Drawing on roundtable discussions with UK leaders in new community development, this report seeks to identify the key attributes of inspirational new communities, understand the issues and challenges associated with their delivery, and identify the principles and foundations for success.

The publication of this report is the start of a year long programme to inspire and create positive change in the way in which these communities are planned, designed, and delivered, so that the new communities of the future become the great places they have the potential to be.

UK new communities: history and definitions

Historically, individuals and households located themselves near to means of production. Communities evolved organically as local economies grew or shrank, and population size ebbed and flowed over time. Villages grew into towns, and towns into cities.

However, as the industrial revolution took hold, from the late 19th century, a more deliberate and planned approach to new community location started to emerge. New places were established by employers to provide housing for their workforces, such as at Bourneville. Then, at the turn of the 20th century, the Garden Cities movement was born, and with it Letchworth and Welwyn Garden Cities were established. 1947 saw the introduction of the Town and Country Planning Act to support the large scale new building needed post WW2 to house the UK's population. The Act sought to establish the principles for the revitalisation of existing towns and cities, and alongside the 1946 New Towns Act, also for the establishment of new ones.

Since then, successive UK Governments have periodically sought to promote the establishment of new large scale communities, to increase the supply of new homes, under a variety of policy initiatives including: New Towns, Ecotowns, and Garden Communities. UK new communities typically tend to have the following characteristics:

- + They are purposefully planned new settlements
- + They are residential led
- + They seek to create a new community where one is not currently
- + They are multi-phase developments, delivered over several decades
- + They are generally built on agricultural or previously undeveloped land (although various communities have also been proposed on old military sites)

+ They are large scale – often with 5000-1000 homes envisaged, but developments range from 2000 20,000+ homes

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+ They may be new villages or towns, or even cities over time, or significant extensions to existing urban areas.

For the purposes of this report, the term 'new communities' has been adopted to refer to the creation of new places in the UK which share most if not all of the characteristics noted here.

A history of new community planning

Victorian Philanthropy

1893

Bourneville Village Trust

George Cadbury bought 120 acres of land and, at his own expense, planned and built a model village which would alleviate the issues of building approaches of the time.

The Garden City Movement

1900s-1930s

Garden Suburbs, Cities, and Homes For Heroes

Ebenezer Howard published the pamphlet 'Garden Cities of Tomorrow' in 1902. This created a movement which saw the establishment of Letchworth Garden City (1909) and Welwyn Garden City (1920). This influenced interwar housing estates across the UK and further afield.

The New Towns Project

1946

Mark 1 New Towns

The garden city movement became the precursor to state involvement in new community building. The 1946 New Towns Act paved the way for a major programme of nine new town developments, the first being Stevenage in 1946 and ending with Corby in 1950.

1952 Towns Development Act

The first recognised urban extensions, or town expansion schemes, were developed following the passage of the 1952 Town Development Act. Although not designated 'new towns' they were usually delivered by development corporations with local government involvement and support. Cramlington and Killingworth were both advanced by Northumberland County Council.

1961 & 1967 Mark 2 and Mark 3 New Towns

The second wave of new towns alleviated housing shortfalls and helped to accommodate some of the overspill of major cities. They were predominantly in the North and designated places such as Skelmersdale in 1961, and Washington in 1964.The third and last wave of new towns enabled additional growth with Milton Keynes designated in 1967, and developments between Liverpool and Manchester such as Warrington in 1968.

An Urban Renaissance

1980s & 1990s

Urban Renewal

No new towns were formally designated at this time, but several new large-scale developments such as Poundbury In Dorset were founded and progressed. More focus was on regenerating existing urban centres, epitomised by the 1999 report 'Towards an Urban Renaissance', by the Urban Task Force chaired by Lord Rogers of Riverside.

A New Millennium

1997

Millennium Communities

English Partnerships led an initiative to construct 7 new 'villages' that were intended to 'set the standard for 21st century living, and to serve as a model for the creation of new communities in England. A competition for the development of the first of the 'Millennium Villages', Greenwich Millennium Village, was launched in 1997 with others subsequently following.

2003

Sustainable Communities Plan

The Sustainable Communities Plan was a key policy of the Labour Government's Office of the Deputy Prime Minister and part of a wider drive to raise the quality of life in communities. It led to a range of policies and plans which were in effect a spatial plan for the whole of England and focused on key growth areas such as the Thames Gateway and The Northern Way.

2009

Eco Towns

The eco-town initiative was intended to offer the opportunity of achieving high standards of sustainable living while also maximising the potential for affordable housing. However, in April 2011, the coalition government announced that only one of the proposed eco towns, Northwest Bicester in Oxfordshire, would be built to the originally proposed standards.

2014

Locally led Garden Cities

The 'Locally Led Garden Cities' prospectus, published in 2014 by the Department for Communities and Local Government (DCLG), outlined ambitions in terms of scale and delivery, and set high standards for design, quality and the provision of green space. This recognised that unlocking large-scale housing developments was critical to driving supply.

2016

Locally led Garden Villages, Towns and Suburbs

The Garden City Revival

In 2016 the UK government published a new prospectus that committed to strengthening planning policy to provide a more supportive approach to new settlements. This included a commitment to update the New Towns Act 1981 so as to have a statutory vehicle well equipped to support the delivery of new garden villages, towns and cities for the 21st century.

2018

Garden Communities

The 'Garden Communities' prospectus published in 2018 drew the previous two programmes to a close. The new programme placed the idea of garden communities for the 21st century at the heart of the government's aim to deliver around 300,000 new homes a year.

Why new communities and why now?

The UK's housing crisis is well documented. According to Office for National Statistics (ONS) projections the number of households in England will increase to around 28 million by 2039 – requiring an average of more than 200,000 new homes per year.

To meet this need along with existing shortfalls, the UK Government has stated that it aims to be supplying 300,000 new homes per year by the mid-2020s, and to supply one million new homes by the end of the current parliament.

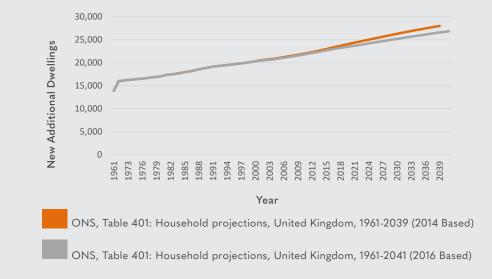
Data shows that net supply has been increasing in recent years, from a low point of around 125,000 in 2012-13 to around 241,000 in 2018-19 - the highest level for about 30 years.¹

However, to meet the target of 300,000 homes per year, an increase of another 24% by the mid-2020s is required, and 43% to reach the 340,000 per year called for by Crisis and the National Housing Federation.²

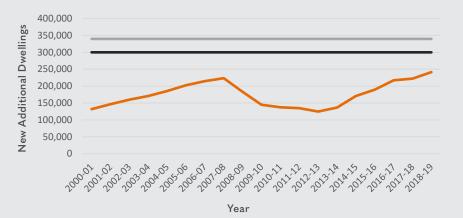
Dramatically increasing the supply of UK housing requires a multitude of different interventions, and a variety of different approaches appropriate to the local context.

Planned properly, new community development provides an opportunity to positively contribute to the supply of new housing, alongside other measures including the densification of existing underdeveloped areas, and the regeneration of existing towns and cities.

Household projections



Housing supply



MHCLG, Table 118 Annual net additional dwellings and components, England and the regions, 2000-01 to 2018-19

Government Target (300,000 homes per year by mid 2020s)

National Housing Federation (NHF) and Crisis commissioned research 340,000 per year)

Why are new communities important?

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Alongside supporting an increase in UK housing supply, the new communities of today and tomorrow offer a unique opportunity to explore and demonstrate new models of development appropriate for the 21st century.

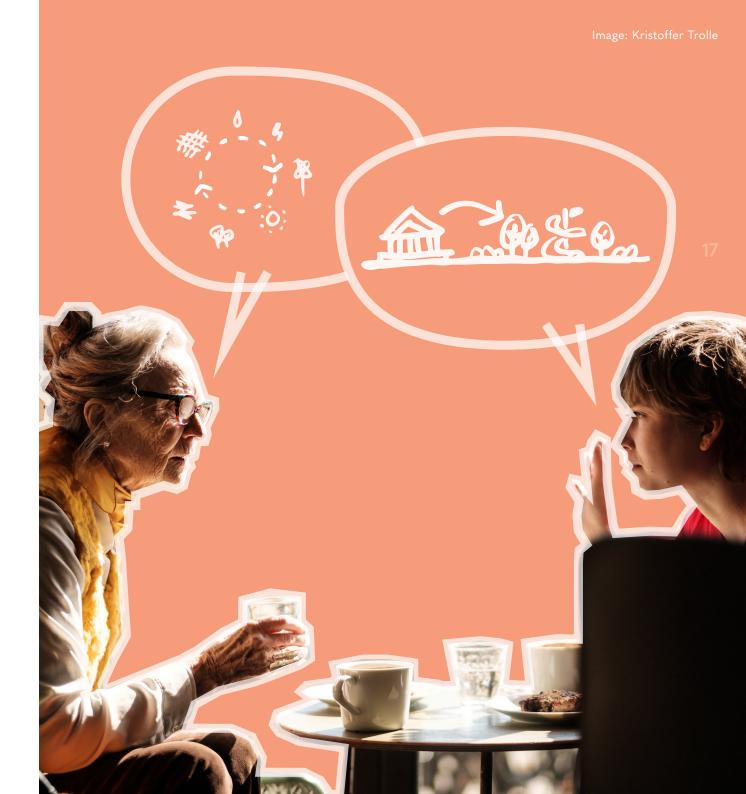
Development which is suitable for modern lifestyles, able to address and adapt to future trends, and be resilient to economic and other unanticipated societal, cultural, and health shocks.

Trends such as digitisation and automation, for example, or the changing demographic profile of our nation.

A bold and ambitious approach to the further development of new communities in the UK presents an opportunity to create fantastic new sustainable places to live, with positive impacts which extend far beyond their boundaries. The climate emergency and Covid-19 pandemic have raised fundamental questions about the nature and function of our villages, towns and cities, and how they support environmental sustainable and healthy lifestyles.

Moving forward, new communities present the potential to deliver alternative models of density in the UK, which don't replicate the environmental unsustainability of the majority of our suburbs, or many of the new community developments of the past.

Thoughtful planning, design, and delivery of new large scale development offers an opportunity to think and act differently, to learn from previous experience, and deliver the right environment for new communities to have a great quality of life well into the future.



New communities: track record

Despite the UK Government's stated intent to deliver multiple new villages, towns, and large scale urban extensions over the last two decades in particular, the number of new communities created has been much fewer than planned.

In addition, whilst there are notable exceptions, some of which are highlighted later in this report, the quality of the new developments which have been delivered has generally been patchy, and often poor.

A housing design audit for England (Place Alliance, 2020)¹ concluded after auditing over 140 housing developments across England since 2007, that 75% of new housing development should not have gone ahead due to 'mediocre' or 'poor' design; that one in five of these developments should have been refused planning permission outright as their poor design was contrary to advice given in the National Planning Policy Framework; and that a further 54% should not have been granted permission without significant improvements to their design having been made first.

Often poorly accessible, with insufficient local amenity, dominated by the car, with more attention given to housing numbers than placemaking, such new developments are neither fit for purpose today, or for the future.



¹A Housing Design Audit for England, Place Alliance, CPRE, UCL, 2020

Research and report overview

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Given the potential for new communities to form part of the solution to the UK's housing crisis, the recent poor track record of delivery and quality of design is of concern to ULI UK and Prior + Partners, who share a collective interest in understanding what makes great places.

During 2020, Prior + Partners and ULI UK embarked on a joint research programme to understand the key attributes of a successful new community, the issues and challenges associated with their delivery, and how these might be overcome.

In the summer of 2020, a series of roundtable discussions were held with leaders involved in delivering some of the most ambitious large scale projects in the UK. Participants included master developers, landowners, advisors, designers, and national and local government representatives.

Attendees were invited to contribute their views and opinions regarding the delivery of new community development, based on their own practical experience.

Initial research was conducted prior to the roundtables into the history of new community planning and delivery, to identify a series of themes for discussion. Key questions for consideration were sent to participants in advance of the sessions.

participant Each attended two roundtable discussions, with the first focused on issues and challenges, and the second on potential solutions. Key issues raised in the first set of roundtables were summarised and provided to all participants in advance of the second roundtables. Short presentations were provided at the start of each roundtable to frame the sessions and to ensure that initial research and conclusions aligned with participants' experiences.

The roundtables were conducted under the Chatham House rule to allow participants to speak freely about their experiences. This was important to be able to identify whether issues and challenges were specific to particular organisations or projects, or are widespread and experienced across the country and industry. Whilst this report contains quotes from the roundtables to reinforce particular points made, it therefore does not attribute these to particular individuals.

Several participants provided additional insights as a follow up to the roundtable sessions, and others agreed to review drafts of this report, and their comments have been incorporated into this final document.

The report is structured as follows:

First trends that future new communities should address and embrace to become great places are set out along with associated implications for new community planning and design.

The key attributes of a successful inspiring new community are then presented, as seen through the eyes of future potential residents.

Issues and challenges experienced by practitioners in delivering high quality new large scale development in the UK are then provided, before a set of principles and foundations for success are set out in the Delivering Differently chapter.

A number of case study examples related to new community development are provided in the Delivering Differently chapter where particular elements of the approach are felt to have contributed to delivery or achieving high quality outcomes for new communities.

Views of the merits of different places around the UK can be subjective, and inclusion of these case studies does not seek to suggest that either all aspects of delivery should be replicated, or that the nature of the development that has been created previously would necessarily be desirable today.

The report concludes with a call to action and next steps for the programme.

In reading this report, readers are encouraged to reflect on their own experience in this area, and how they can support raising levels of ambition, so that future new community development is of the exceptional standard that we deserve.

Trends and implications

The world is undergoing significant change. We have been living through the effects of a global pandemic. Unexpected weather events are becoming ever more frequent. New technologies are changing how we live, work and play. Social, cultural, and economic shifts are changing our values and what we consider to be important in the places we call home.

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New community development presents a unique opportunity to innovate in how places are planned, designed and delivered to address these trends and provide flexibility into the future.

An overview of current and future trends facing new communities is provided in this chapter, together with the associated implications for their planning and design.

Mitigating and adapting to the impacts of climate change is one of the most critical and urgent challenges of our time

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Rising global temperatures and the increase in unpredictable weather events such as flash flooding raise fundamental questions about the role and function of the natural and built environment in reducing carbon emissions and allowing us to live environmentally sustainable lifestyles.

Local authorities across the country have declared climate emergencies. In 2019 the UK Government committed to reducing greenhouse gas emissions to net zero by 2050. The Future Homes Standard, expected to be introduced by 2025 will require new-build homes to be future proofed with low-carbon technologies and worldleading levels of energy efficiency. By 2030 all new vehicles will need to be electric powered.

These commitments reinforce the importance of new large scale housing developments leading the way in demonstrating environmentally sustainable design and construction techniques.

Implications for new community planning and design

- + Be carbon negative over the lifetime of the development
- + Make sustainable lifestyle and travel choices easy
- + Adopt circular-economy principles for construction, living, and estate management
- + Protect and enhance the value of ecological and landscape features to deliver a net gain in biodiversity
- + Use natural systems infrastructure to regulate temperate and accommodate frequent adverse weather events
- Use digital technology to improve the environmental and health performance of homes and neighbourhoods.
- Use passive measures to heat and cool buildings.



Changing demographics will require new types of homes and neighbourhoods

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The UK's population of 66 million people is growing, and its demographics and living trends are changing.

The country is ageing. The UK will need a further 78,000 homes suitable for older people's needs in the coming decade.¹

At the same time, the number of families with children continues to rise in line with the growth of the UK population, with more young adults living with their parents than previously, and increases in the number of people living alone. Home ownership is falling, with the biggest drop being seen in households aged 24-34, from 45% in 2000 to 27% in 2018.²

New community developments will need to respond to these changes by providing a diversity of housing tenure and typology, and actively considering the future inhabitants of the new neighbourhoods at the earliest possible stage in the development lifecycle.

Implications for new community planning and design

- + Provide amenities suitable for all age groups and different cultures
- + Encourage social interaction in public and private spaces
- + Design homes and local centres to be flexible to adapt to changing lifestyles and needs
- + Provide different models of housing such as co-living and co-housing, and housing for later living and intergenerational living as part of neighbourhood development
- + Understand the nature of the community that may wish to live in the new neighbourhoods as part of the planning and design process, and design housing products suitable for their aspirations and needs 27
 - Engage with neighbouring communities, future residents, and new residents actively throughout the development process to inform the nature of the neighbourhoods.



¹ Overview of the UK population, ONS, August 2019 ² Overview of the UK population, ONS, August 2019

A growing focus on health and wellbeing should drive more active communities

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The Covid-19 pandemic has highlighted the significant inequalities in health outcomes in the UK. In a post Covid 19 world, the built and natural environment will continue to significantly influence the wider determinants of health.

New community development provides an opportunity to create new homes and neighbourhoods which positively support the physical and mental health and well being of individuals and communities.

Creating the right environment for more active lifestyles is key to this. People in the UK are around 20% less active now than in the 1960s¹. The dominance of the car and lack of public transport is one of the most recognisable features of the large scale housing developments delivered over recent years, which and services provided within new alongside the often significant distances community developments to be smarter, from home to amenity, acts as a barrier healthier, and more sustainable. to more walking and cycling.

Designing for a 15 minute walking distance from the home to places of work, leisure, exercise, study, play, shopping, socialising and cultural experiences is one of the greatest opportunities presented by new community development. As is improving the journey along the way.

Through a focus on an individual's experience of a place at a local level, new community developments can address issues of overcrowding; lack of access to both private and public open space, parks, and nature; air quality; loneliness, and in doing so improve access to amenity and health outcomes.

Through embracing the use of new digital technologies, new community developments can also enable buildings

¹ Health matters: getting every adult active every day, Public Health England, 2016

Implications for new community planning and design

- + Prioritise pedestrian and cycle use, supporting active lifestyles and creating liveable and healthy streets
- + Provide key services and amenities within a 15 minute
- + Connect nature and green spaces to residential areas and design nature into streets and
- + Design public spaces and streets to be accessible for all

- + Ensure private amenity space supports outdoor living
- + Provide civic space with an opportunity for social interaction and private reflection suitable for all members of the community 29
- patterns to create stress free
- + Incorporate 5G and digital transport and public realm.



New jobs and ways of working will require fresh thinking about places and spaces for work

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Working patterns have been evolving over the last couple of decades as technological advancements have changed our ability to 'stay connected' wherever we are. Even before the Covid-19 pandemic, working from home had increased by 80% in the past 20 years to reach 5.3% of workers¹, a trend that dramatically accelerated during 2020.

Recent years have also seen the significant rise of new and different types of offices, with smaller floor plates, a greater focus on interactivity, shorter and more flexible leases with greater services. The proliferation of co-working spaces in local neighbourhoods and emergence of satellite offices are enabling working far closer to home than previously.

Technology is also profoundly changing industry. New industries are being established taking advantage of new technologies², often using far cleaner and greener methods of production than their predecessors. They frequently require less physical space and are capable of being located within or adjacent to residential neighbourhoods.

History tells us that successful towns and cities are those which have strong economies as well as being great places to live. New community development must be cognisant of the changes taking place in industry and approaches to work, so that provision is made for the right spaces and places, suitable for today's and tomorrow's industries and working practices.

Implications for new community planning and design

- + Re-imagine the concept of a home to allow for productive home working
- Enable full fibre broadband to all buildings with ability to easily upgrade as technology evolves
- + Plan appropriate and adaptable industrial and commercial workspace suitable for local economies
- + Enable environmentally sustainable logistics, including storage, distribution, and last mile delivery of goods, supplies, and consumer products
- + Create neighbourhood working spaces outside the home that support local innovation and the

exchange of ideas reducing the need to commute

- + Design high streets and local centres with flexibility in mind acknowledging changing retail and commercial trends, creating places with a diverse and economically sustainable offer attractive to a range of residents
- Provide easy access to learning opportunities throughout life from early years provision, to primary, secondary, further and higher education responding to the modern and future requirements of the workplace.



¹ Megatrends working from home: What's driving the rise in remote working?, CIPD, 2020 ² BNP Paribas Market Leaders Report, Mapping the UKs post Brexit Growth, BNP 2019.

Diversity, flexibility and adaptability is key

32

The nature of new housing development being delivered, how it is delivered, and who it is delivered by is shifting.

Alongside housebuilders and developers, UK local authorities are again playing an increasingly direct role in housing provision. Just prior to the pandemic, council housebuilding was at its highest level since 1990. Arms-Length Management Organisations were intending to build 12,352 properties in the period to 2024.¹ The UK Government are also promoting a range of measures to increase the numbers of small and medium sized builders in the marketplace.

New housing development has traditionally offered private homes for sale, and social homes for rent.

However, there is a now a growing private build to rent market, and a greater diversity of social housing options available. People are also increasingly demanding more choice and a greater role in shaping their future homes and communities, with self-build and custom build homes increasingly sought after as an alternative to the standard new build for sale home.

Construction methods are also changing, providing the potential for new community housing development to be delivered with greater certainty, faster and cheaper, with lower carbon emissions².

Implications for new community planning and design

- + Embrace a diversity of delivery bodies and models in the approach to the planning and phasing of neighbourhoods
- + Facilitate choice through a diverse housing offer incorporating build to rent, self build, custom build, different social and intermediate housing products, alongside traditional for sale housing
- + Promote modern methods of construction to deliver high performance low carbon buildings.

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 ¹ NFA Annual Survey 2019 - Serving our Communities, National Federation of ALMOs, April 2020
 ² The future of construction, Innovate UK, April 2018 / Modern Methods of Construction, Speech given by the Minister of State for Housing at Legal & General's modular housing factory, January 2020

Inspiring new communities

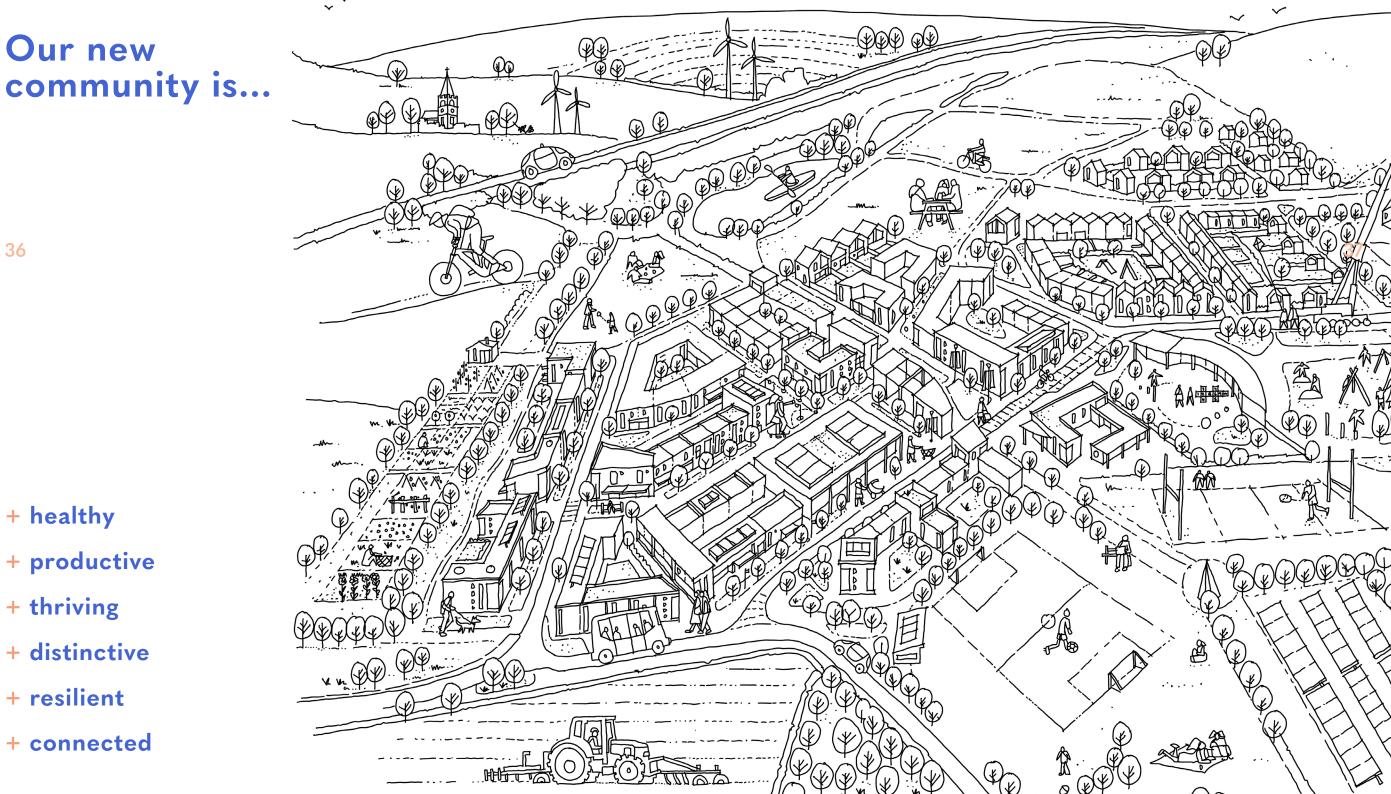
What would a new community in the UK look and feel like if it responds to current and future trends? What type of place would it be?

This chapter seeks to identify the key attributes of a new community that addresses these trends, that all walks of life may aspire to live in one day.

Seen through the eyes of its potential inhabitants, this hypothetical new community aims to identify the art of the possible for new community development.



- + healthy
- + productive
- + thriving
- + distinctive
- + resilient
- + connected



Our new

OUR NEW COMMUNITY IS...

Health and well being by design.

38

Children play safely here, and parents and grandparents can grow older actively and independently. There are a range of homes for young renters, flat sharers, first-time buyers, growing families and older members of the community. Physical and mental wellbeing are of equal importance, and all residents can enjoy active and social lives in close contact with nature. Streets are sufficiently spacious and are an extension of people's homes, places for interaction and activity, fostering the sense of belonging to a community.

What it's like to live here...

I have a great work/life balance. Before I moved here, I used to commute for two hours to work each day, now I cycle 15 minutes to my local hub after dropping my children off at school. Living here has given me precious time for myself again.



Etta 44 #activecommuter

I set up my first restaurant here after initially agreeing to manage the community garden. It has now tripled in size and the menu is always inspired by what I've grown. Everyone seems to love it.



Steve 28 #growingourown

for playing, resting and meeting friends.

It's great to know our kids are enjoying



Meera 34 and Samantha 36 #playoutdoors

We have a greater diversity of species and habitats here than in the country park. It's amazing to experience the natural environment on your doorstep.



Alfonso 37 #livingwild



The air is so fresh. I used to suffer from asthma, but since moving here I'm feeling so much better. There is no pollution. My friends and I are all joining the local hockey club next year.

Florin 15 #feelingfit

A healthy environment supporting and promoting well-being



1. Pedestrian residential street

- 2. Vacuum suction recycling bin
- 3. Seating area
- 4. Front gardens
- 5. Communal roof terraces
- 6. Roof garden allotments
- 7. Major green space
- 8. Cycle and scooter parking
- 9. Tactile paving
- 10.Community centre
- 11. Flats and maisonette
- 12. Wheelchair accessible homes

Productive

providing local learning, employment, and enterprise prospects for a range of ages.

42

The local economy is strong, with employment and learning opportunities for residents. There is a diversity of work places including co-working space, and different uses are co-located together creating a supportive employment ecosystem that shares resources. The economy fosters small and medium sized businesses and accommodates a variety of different types of workspace. The local college and vocational centre offer training and development opportunities relevant to the local and future global economy. Homes are designed flexibly to enable home working; otherwise proximity of the workplace to home reduces commuting time and supports a better balance of work and family life.

What it's like to live here...



My husband and I make furniture. We love it, but finding buyers was always a challenge. Since moving here and having our workshop in the heart of the community, sales have doubled. We're thinking of taking on a new member of staff for extra help!

Rachel 47 and Anders 38 #makers

I used to work in the city but when I moved here it gave me the confidence to start my own business. It's so easy to work from home now, but I also use the shared workspace here a couple of days a week. There are so many people doing different things. It's such a stimulating environment that I'm collaborating with others that live here too now.



We moved here when my wife and I retired, but last year I decided to start a new business. All the things that held me back before – lack of workspace, access to technology and support... they're not a problem here, so it's been easy. Hannah 66 and Geoff 72 #olderpreneurs

I can remember the first day I started school here; it was hard because I didn't know much English. I love looking back now because so many people have helped me learn and study. This place has really made me who I am. Next year I'm starting a course in early-years childcare at the local college – I'll be training at the local nursery. I can't wait!

Zuzanna 17 #localtraining



An active hub facilitating economic prosperity

- 1. Flexible co-working space
- 2. Shared courtyard
- 3. Informal meeting area
- 4. Workshops and studios
- 5. Light industrial work space
- 6. Vocational training centre
- 7. Maker shops
- 8. Shared exhibition space
- 9. College

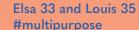


Thriving offering interesting and exciting activities and opportunities for social interaction.

The compact town centre incorporates a variety of co-located services and facilities, with public uses mainly on the ground floor and housing on the upper floors. Residents are never further than a 15 minute walk, run or cycle from everything they need such as food shops, leisure activities, workplaces and education. The high street is safe for pedestrians, cyclists, public transport and cars. With plenty of place to sit and meet, the centre of town always seems busy until late in the evening.

What it's like to live here...

The buildings are cleverly designed to be flexible which means it's easy to bump into friends. For example, the building across the road is our place of worship, and it's parcel collection point. You always know





Some of our friends around the country say they lived here five years and I don't think we've ever been lonely. There's a great mix of people from flat sharers and young families to people like us. Our daughter is going to buy one of the new affordable homes next year... we can't Sofia 55

#lifetimeneighbourhood





I've become Chair of the Parks Trust. It's an amazing privilege to help look the community. I love to see how people maker moving in and they are going to We're also working with the Forestry Commission to plant a long-term

Joe 41 #parkkeeper

When I started at university, I couldn't afford to move into halls, so I staved

Amelia 21 #findingindependence





A vibrant, diverse and thriving community

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1. Retail and leisure facilities

- 2. Local pub
- 3. Delivery pick up point
- 4. Dedicated cycle lane
- 5. Local park with seating area
- 6. Community centre and library
- 7. Balconies
- 8. Roof garden allotments
- 9. Railway service
- 10.Bus stop
- 11. Communal seating area
- 12. Sustainable urban drainage
- 13. Cycle parking
- 14.5G transmitter
- 15. Fibre optic cable

Distinctive celebrating its history and heritage, generating local identity, pride and belonging.

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The community has its own character and identity which has evolved over time. Every place has a history and the existing physical and environmental heritage have been celebrated, with appropriate building typologies and approaches to landscaping used in the development of the new neighbourhoods. The new community integrates into the surrounding area, and where there were existing buildings, these have been refurbished and re-purposed to connect the past to the present. The diversity of the new homes and nature of the employment market here make it a unique place in the country.

What it's like to live here...

Where I used to live the homes all looked the same. The architecture here is cool, it feels special coming home. I was able to design the layout and look of my place choosing from a range of designs. It's exciting to show friends where I live.

Matt 29 #historymadeit

I never think of new developments as having lovely trees and gardens. This is very different, we even have ancient woodlands and wildlife habitats that are protected. As a history teacher, I often take the local children to the park lookout, they can't believe they are standing on a buried ancient monument.



Sushant 62 #lovewherellive



We always had a dream of building our own home, so we jumped at the chance to have a self build house. It's very different from our neighbour's house, but it still fits in. It's uniquely us. We love the variety it gives to the look of our street.

Samer 30 and Geoff 32 #granddesigners

Every time the council provided us with housing before it was always obviously different from all the private homes. We always felt on the edge of the community. Here it's different because our house looks as nice as our neighbour's. It feels good knowing that no-one can tell that we earn less than others that live here.



Mark 39, Amy 38, and Joseph 11 #feelinggood



A place with character and its own identity

- . Converted agricultural building
- 2. Farmer's market
- 3. Craft Fair
- 4. Dedicated cycle lane
- 5. Regular bus service
- 6. Studios
- 7. Communal seating
- 8. Street lighting
- 9. Sustainable urban drainage
- 10.Workspace
- 11. Terraced housing
- 12. Market Square

OUR NEW COMMUNITY IS...

Resilient making it easy to live sustainably and be well prepared for the future whatever it brings.

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Buildings and the public realm are built to the highest standards of environmental sustainability reducing carbon emissions, water consumption, and waste production, and sustainable lifestyles are enabled through design. Infrastructure systems work with the natural environment. The topography, important habitats and water course are protected and form key features of the landscape, and flood alleviation measures are integrated to protect the community. Energy is derived from local renewable sources, rainwater is harvested, and the wind powers local homes and businesses. Materials are reused and recycled as part of the local economy. The local economy and connection with nature enables the community to be self sufficient when needed, and the clever design of the town centre and neighbourhoods facilitates natural cooling during the summer, and social and physical distancing during health epidemics and pandemics to keep people safer.

What it's like to live here...

I never used to think about infrastructure, but my niece now wants to be an engineer after visiting us when she was growing up. She was fascinated to see the water running in the channel beside our streets, the solar panels on our roof, and told all her friends our house was warm in winter with no central heating! I love that where we live might have inspired her future career. And for us it's meant cheaper bills!



Rima 49 #cheaperbills For the second year running, our community has won a national award for the least amount of waste generated per household; it's so easy to recycle, share and re-use things here.



Li 58 #recycleking



it was just where we went sailing. Since they started school, they know that when is rains it's where the water is stored. When they shower, they love to tell me this is last week's rain! When I grew up, living sustainably meant living a different kind of lifestyle – here it's just easy to be green.

Robert 48 and Anna, 42 #livinggreen

All the local businesses are linked to the local school's education programme. Last year my daughter tried animation and my son is now an apprentice with the construction firm. I'm even taking evening language classes again.



Afrah 51 #alwayslearning



I love having my workshop close by. I used to live miles from my industrial unit and used my van for storage. Now almost all my business is within five miles – with customers either in town or in our growing community. Working and trading locally makes so much business sense!

Hasan 32 #tradinglocal

I like it here because I love looking at all the frogs, fish, and birds at the lake.

Bobbi 6 #lotsofwildlife

A future proofed place adapting and maturing over time

- 1. Dedicated cycle lane
- 2. Sustainable urban drainage
- 3. Primary schoo

- 4. Flexible workshop space
- 5. Material recycling
- 6. Servicing access
- 7. Major green space
- 8. Safe pedestrian crossing
- 9. Expandable cycle parking
- 10.Solar panels
- 11. Roof allotments



Connected

being walking distance to most places including the older part of the existing town.

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Street design prioritises pedestrians and cyclists, encouraging active forms of travel. For short distances to the town centre, or the adjacent existing established community, residents can walk, hire a bike or scooter, or hop on their own bike from their front door. For longer distances the regular bus service, the electric car club, and the railway connect to a variety of destinations conveniently and quickly. Through the multi-modal mobility system the new communities are connected easily to nearby towns and the rest of the country. Digital connectivity is second to none making travel, business, and leisure time efficient and effective.

What it's like to live here...



We're never more than a 10-15 minute walk to everything we need – the schools, workspaces, grocery shops, and, of course, the playground for Charlie! I love how we feel connected with the older part of town too. We like to visit friends there.

Beatriz 50 and Charlie 6 #15minutelife The town's 'share shop' means we no longer have a garage full of things, especially DIY tools, that are hardly used. It's so easy to rent what we need. I donated my toolbox last week – a couple of people have already mentioned it was handy to borrow the screwdrivers to fix up some shelves.



Harry 82 #ownlesssharemore



My working life was always in logistics: I've been on the road, organised freight, and sent things all over the world. I never thought those skills would be useful in retirement. I'm now a volunteer at the local hub. We have two drones and three robots on order for making local deliveries.

Sarah 65 #retirementwithrobots

As a wheelchair user I'm so used to taking detour to get to where I want to be. It's very different here. Everything has been designed to make access easy, I feel like this place has given me independence again.



Patrick 26 #easytomove



I love the on-demand mobility app. At first I was unsure about the new technology, but it's so easy that we got rid of the car. Longer journeys are made with the car club and shorter journeys I just order through the app – it's so much more efficient than a normal bus service. My kids love to guess which route we will take and who the bus might pick up.

A well-connected community enabling and encouraging active mobility

- 1. Electric car and scooter charging
- 2. Sustainable urban drainage
- 3. Cycle parking

- 4. Built to inclusive design principles
- 5. Wheelchair and pram access
- 6. Share shop
- 7. Railway station
- 8. Bus stop
- 9. Street lighting
- 10.Flats and maisonettes
- 11. Pedestrian crossing



Inspiring new communities are...

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- + healthy
- + productive
- + thriving
- + distinctive
- + resilient
- + connected

...which combined make them great places to live.

New communities grow out of an understanding of the existing place, its context, history, existing neighbouring communities, and the trends that will influence their future.

New communities develop over time, and evolve as the people within them interact with each other and the places they inhabit.



Issues and challenges



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RAISING THE AMBITION

To understand how inspiring new communities can be delivered in the UK, it is important to understand why in recent times, such developments are the exception rather than the norm in this country.

The roundtable sessions with senior practitioners identified a series of issues and challenges which act as barriers to success. These are summarised in this chapter, which includes quotes from the various roundtable participants.

Barriers to success

Whole-life costs are rarely considered up front, and design considers highest initial financial sale values, rather than long-term rental yield or capital appreciation over time.

Time horizons

The development of a new town or significant extension to an existing town takes a long time; delivered in multiple phases, over several decades. As a result, they require a very different approach to the more frequently delivered smaller single phase housing developments of around 200 homes, which allow for shorter term investment horizons and earlier realisation of revenues and profits.

The long term time horizon and complexities associated with the scale of development of new communities means that standard models of development are ill suited.

Currently, the typical model for landowners, promoters, and housebuilders is to maximise profits early in the development process. This approach does not support longterm community development and will not build community wellbeing and environmental stewardship.

Investment considerations

New community developments require considerable investment in new civil and social infrastructure at an early stage in the development lifecycle, as existing systems and facilities are unlikely to have sufficient capacity for such significant envisaged populations.

At the same time, development values are difficult to predict with any certainty. They will evolve and change over time as the community itself develops, with higher values likely in the latter stages of the development.

The large upfront infrastructure costs, and long term unpredictable returns combine to make it challenging to establish a clear business case for long term investment.

This is compounded by the timeframes required for the development, and the investment return time horizons of the promoter and/or its funders being frequently misaligned.

All these financial deliberations are frequently made before consideration is given to how the new estates will be managed and maintained into the future, and the costs, revenues, ownership and management models associated with these. The relative scarcity and/or cost of commercial long term funding and finance willing to take development risk adds further challenge to make positive investment decisions.

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This can lead to schemes either not being delivered despite the original intent, or only initial phases coming forward. Alternatively schemes may be delivered sub-optimally without consideration of the full whole life costs and benefits of development.

Development viability may fail to stack up for the promoter. Risk and return profiles may not match and sound investment cases cannot be made, or long term funding and financing may not be available.

Funding criteria

Government funding can also contribute to unsustainable places being delivered, if narrow assessment criteria is used, primarily relating to the number of housing units, often to be delivered within relatively short timeframes.

Many recent funding solutions have been focused on shortterm grants and loans, and while this can be proven to kickstart stalled development, it rarely provides the long-term security to deliver better places.

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Land value

Large scale new community development requires different considerations to smaller scale development when it comes to how development land is valued, purchased or leased, owned, and managed over the long term.

It is far easier to cost infrastructure and predict development values for smaller scale developments than larger ones, allowing for an easier assessment of residual land values to inform land purchase prices.

The considerations for residual land values and appropriate land prices for larger scale developments are far more complex, making it challenging for a landowner to have appropriate expectations; developers to be able to secure land for a price which incorporates the true cost of development; and local planning authorities to be able to judge the appropriate amounts and best mechanisms to capture increases in land value as a result of changes in planning designation.

Land price speculation

The current planning system adds to the challenges of an appropriate price being paid for land, which reflects its true residual land value as the future location of a new community.

There is no current national or regional designation of locations for new communities in planning policy, instead local authorities are provided with housing targets that they are required to deliver against, by allocating sufficient land through the Local Plan development and review process.

Local authorities are therefore required to identify sites that would be appropriate for new community development within their localities. To pass one of the three tests of the National Planning Policy Framework: 'Is the site available for development?', local authorities will frequently undertake a 'call for sites'. This allows the local authority to demonstrate to the Planning Inspector that there is interest by the landowner, developer, or promoter in taking the site forward for development. Most prospective new community sites are located on existing agricultural land. The market value of agricultural land is significantly lower than land that is allocated for development within a Local Plan. As a result of the 'call for sites' process, an industry has developed which encourages speculation in the future price of land. Landowners seek to partner with those who they believe are most likely to gain allocations within the Plan through purchase options based on its allocated rather than current land value. Frequently, land ownership is traded again post allocation, based on a yet higher price which assumes that the value of the land will appreciate further upon the successful approval of a planning application in due course.

The result of this speculation and land trading is that over time the price of the land increases to such an extent that the residual land price effectively becomes negative once the long term infrastructure costs of the whole long term development scheme are taken There are real challenges in sufficiently capturing land value for the benefit of the community.

into account. This can mean that either the development proposed becomes unviable, and therefore does not happen; that only initial phases are delivered which can make use of existing infrastructure capacity; or developments are delivered without sufficient infrastructure investment (either directly or via planning gain contributions to the local authorities) meaning the new development contributes to existing infrastructure operating beyond capacity.

Site allocations

New community delivery can also stall where land use designation changes fail to materialise, when Local Plans are not deemed sound, as Planning Inspectors weigh up the evidence for long term delivery potential based on information available today. In May 2020, two of the three Local Plans for the North Essex Garden Communities were found unsound, taking a proposed 34,000 of 43,000 planned new homes proposed to be taken forward by a locally led Development Corporation off the table.

Duty to co-operate

Cross boundary planning can also present particular challenges to new community development being realised. Currently, in the absence of any national, regional, or subregional spatial plans or frameworks, local authorities have had to come together under a 'duty-to-co-operate' to develop plans for new communities which cross local authority boundaries. In these instances all local authority Local Plans must reflect the proposed new community. Such co-ordination challenges are significant and act as a disincentive to larger than local planning. **Existing communities**

Proposed new large scale housing developments also frequently provoke significant opposition from existing neighbouring communities, which can influence whether local planning authorities approve changes in land use designation, or whether planning approval is granted. Opposition groups are often motivated by seeing examples of poor quality delivery locally or elsewhere previously, or because the proposed developments appear to create an additional burden on current infrastructure.

Developers are experiencing acute challenges in acquiring land at a price that allows them to build profitably and at high quality. Land deals are commonly structured around option agreements with payments deferred until consent, but this results in such significant value uplift that the system is not able to capture the increase and invest back into the development. The colossal increases we currently see disproportionately benefit landowners and must be addressed

Ambition, standards and enforcement

Poor quality new community development is sadly commonplace. Often this is a direct result of inappropriate business models being applied to the wrong type of development. It can naturally also be due to a promoter's lack of ambition, commitment or expertise, or willingness to invest in the right things at the right time that make places great.

Local authorities frequently lack the policies which set out expected standards, or the ability to enforce them where they exist. National minimum standards are restricted to building regulations, and although national space standards exist, they are optional for local authorities to include in their Local Plans and subject to viability testing.

Successive value engineering exercises on schemes can also turn even the most ambitious masterplans into mediocre delivery. The current planning system is not set up to deal with long-term strategic schemes. The continued focus on evidence-based assumptions to prove delivery rates and viability will always limit the ability for ambitious new places.

Traditional views of desirable suburban development discourage many developers and housebuilders from considering denser, more urban models.

Predominance of the car and insufficient provision of public transport characterise many schemes. The creation of parks and pleasant streets is often considered costly rather than adding value.

There are lots of examples of nice places, but very few great places. Projects need to be genuinely remarkable, there is a poverty of ambition. Land is so often flipped; we need to not promote highest bidder, but the one who can demonstrate proven delivery track record.

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There is a lack of capacity in local authorities to effectively engage with complex strategic development sites.

There has been an increasing trend towards piecemeal, edge-of-settlement development often won through appeal on the back of arguing failure to prove fiveyear housing supply.

Despite extensive evidence and research that supports the case for designing and building more sustainable and resilient places, it is common to see these requirements value engineered as developments progress or permissions renegotiated.

Tradition

A desire to replicate what has gone before can also influence the nature of development proposed alongside traditional views of what generates cost and value.

Often this results in developments being proposed in unsustainable locations, and of an unsustainable nature.

Too often the bigger picture is not articulated, and major infrastructure investment is committed without an understanding of the place it will deliver.

Public sector capacity and capability

New large scale community development frequently presents significant capacity and capability challenges for local authorities.

Recent Royal Town Planning Institute (RTPI) research has provided important analysis on public planning resourcing. It was able to conclude that the amount invested by local authorities in planning has reduced by 42% since 2009-10 in real terms. There are around 22,000 planners in the UK, approximately one planner for every 3000 members of the population. By contrast, the Netherlands, which is known for excellent planning, has one planner per 1100 people. (Resourcing Public Planning, RTPI, July 2019).

Many officers may never have dealt with such large scale schemes before, and are frequently expected to undertake complex negotiations with experienced and well resourced promoters without sufficient resource themselves. Funding is too often focused on unit numbers, build-out periods and completions. It does not place enough emphasis on the quality of places that will be created.

This can lead to:

- + an inability to be able to adequately scrutinise proposals presented and ensure that commitments made are delivered
- an imbalance in expertise when it comes to procurement of a development partner
- + a lack of time to be able to commit to working with promoters to ensure that the authority's strategies, policies, and local community needs and aspirations are taken into account.

Short term financial pressures can also mean that public authorities may be forced to trade off the long term revenue potential or value to the community of their own landholdings against short term potential revenues to fund existing services.

Delivering differently

Whilst they may be the exception, the delivery of various new community developments across the UK demonstrates that despite some of the issues and challenges articulated in the previous chapter, it has been possible to deliver long term housing projects at scale.

The UK's planning and design expertise also means that the skills and experience already exist to deliver great places that will inspire those that live there well into the future.

Drawing on the roundtable discussions, five core principles are outlined in this chapter, which includes key quotes from participants. These five principles establish twelve foundations for success in delivering high quality new community development.

If addressed within industry and the public sector, these principles and foundations would help to increase UK housing supply and create fantastic new places to live for our communities.

RAISING THE AMBITION

PRINCIPLE ONE

Long term business models

An alignment of business and community interests

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The long term nature of new community development requires a different business model to the UK's typical developer or housebuilder models. New community developments require business models which align the investment and return period with the lifetime of the development as a whole.

There are various players in the UK marketplace who have adopted such long term business models which correspond to the long term nature of the developments they are leading. These include public and private landowners, master developers, and investors, as well as various project specific special purpose vehicles or joint ventures. New partnerships are also emerging, for example, between housebuilders and

The most enduring places have been built in response to a clear vision set by a developer with a longterm stake in the future. landowners or investors, which can take a longer term approach.

Delivery will necessarily need to be supported by a wide range of organisations, including housebuilders, as well as the growing number of organisations specialising in particular housing products, e.g. build to rent, or in different models of development and ownership, e.g. community land trusts.

It must be recognised who can and who cannot provide long-

term commitment. Forecasting financial appraisals over 40 years is fundamental to a long-term custodian approach, but simply not achievable for many housebuilders. Only a select group of developers and the public sector can be expected to take a patient capital approach – but ensure delivery can be shared across housebuilders – with the control on quality remaining with the patient landowners and master developer.



FOUNDATIONS FOR SUCCESS

 Long term business models, featuring long term land and asset ownership, supported by patient capital

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- 2. Early investment in strategic and sustainable infrastructure, sized appropriately for the development as a whole, considering its operational requirements over its lifetime
- 3. Developing stewardship models early to inform investment, planning, and design decisions for the new community

Land

A key component of a successful business model relates to the cost, value, and ownership of the land that the new community will be developed on. As there are different models for how new community development can be realised, there is no 'one size fits all model'. Instead key considerations in relation to land and new community development are set out below:

- + Land acquired at or near to existing use value presents the greatest opportunity for value appreciation to be captured and reinvested in the development, its infrastructure, and ongoing maintenance
- + Long term partnerships between landowners and masterdevelopers where land payments are made on a deferred basis incentivise longer term value creation
- Greater discourse and debate is needed about how best to enable land purchase that represents

a fair value for the landowner, yet presents a fair price for the developer, reflecting the true cost of the development of the land including infrastructure costs

The first generation of new towns owed much of their success to the ability of

land at, or near to, existing-use value,

the infrastructure they developed and subsequent economic activity to reinvest in the local community.

- Local authorities should seek to avoid simply selling land to the highest bidder, and ideally have a longer term approach to revenue generation through delivery partnerships
- + Greater use of compulsory purchase powers by local authorities may be needed where they wish to see new communities established in their areas, but where working in partnership or acquisition by private treaty has failed
- + Long term land ownership provides the incentive for long term success of a new community from the outset.

Image: Victoria Whiteley



At the North West Cambridge Development, the University of Cambridge was able to provide upfront funding to support early infrastructure and social facilities development, repaid over the long term as the properties are let and limited land receipts are received.

University of Cambridge



A long term approach to infrastructure investment is particularly important when considering the attributes of a successful new community. To create healthy environmentally sustainable communities, infrastructure should be designed upfront, and for the intended end state of development, rather than on a phase by phase basis. This may result in a higher initial cost (e.g. due to sizing for greater capacity than required initially) but should result in an overall lower cost for the development as a whole. Another important consideration is the ongoing costs that the new community infrastructure will incur during its operating lifetime. The cheapest option to build is often not the cheapest option to operate and maintain.

It is critical to acknowledge the complementary relationship between housing and infrastructure if we are to secure the right level of forward funding and investment

Infrastructure funding and financing

Long term approaches to funding and financing become more possible when land is held for the longer term as it allows for an alignment of timescales.

There needs to be work to innovate around finance and consider new models. There is big appetite from pension funds, and we must build on this.

Patient capital enables delivery of multiple phases of development over a long time period, and facilitates high upfront investment in infrastructure. It supports returns on investment (particularly in the early years) being balanced with longer term value creation from a financial, environmental, social, and economic perspective. While some promoters may have significant wealth to invest, others will need to look to financing options available in the marketplace. Here, some involvement from the state may be needed to help address the lack of commercial providers being willing to take development risk.

Public sector investment (in the form of grant, loans, or guarantees) can help to bridge the forward funding challenge associated with large scale upfront infrastructure investments. It could also be used to purchase land and/or fund infrastructure directly where the public sector is acting as landowner and/or promoter of the development themselves.

Pension funding may need some underwriting at national level, but it can go a long way to providing upfront investment.

Delivering a successful new community of how assets generated by the development process will be managed in perpetuity. New garden cities must will be undertaken on behalf of the

Stewardship

Designing and planning for when the development is built and the new community is established is crucial, but often has insufficient focus.

Understanding the intended ongoing model for stewardship as early as possible is important to inform planning and design considerations. While some promoters will continue to act as land and asset owners in perpetuity, not all intend to do so. In these instances, thinking outside traditional models of social and civil infrastructure provision can be critical to success. Energy production and mobility solutions can provide opportunities to generate revenue for example, as can social infrastructure when considered as a wider community resource.

Whether the intent might be for more direct community ownership models, or for local authorities to take over responsibility for ongoing

management and maintenance of an estate is not necessarily the key issue. The most important consideration is understanding upfront who will be responsible, so that the neighbourhoods can be designed with this knowledge in mind.

Where future stewardship models are yet to be established, it is worthwhile establishing a proxy, so that the ongoing steward's considerations can be taken into account in major investment and design decisions.

There needs to be better understanding and promotion of positive, self-sustaining finance and delivery models, and how we keep this investment in local communities and authorities is essential.

History shows that successful new communities have made dedicated provision for the future by establishing long-term asset stewardship models.

From the original intent of Ebenezer Howard's 'rate-and-rent' model. through to current Town and Country Planning Association Garden City Principles for community ownership of land and long-term stewardship of assets, stewardship can take many forms and will need to vary across place and infrastructure asset. Key is establishing a clear scope, understanding cost and revenue models, and governance as early as possible.

Legal structure early is important – something that works at all stages.

Letchworth Garden City, 1909

An example of long term stewardship

As the first development to be laid out by Raymond Unwin on Ebeneezer Howard's 'Garden City' principles, Letchworth's long-term success can be attributed to its understanding from the outset of the importance of having an estate stewardship regime in place.

It pioneered new models for delivery and civic governance including a social model of capturing value created by the development to ensure it was reinvested back into the town for the benefit of the local community.

This fundamental principle has been preserved under the management of the Letchworth Garden City Heritage Foundation.

The foundation has assets of more than £100 million comprising a varied commercial and residential property portfolio. These assets create an annual income stream of approximately £9 million of which more than £4 million is made available for reinvestment in a wide and varied range of initiatives.



Milton Keynes Mark 3 **New Town, 1967**

An example of long term landownership and infrastructure investment

agricultural land, including the existing towns of Bletchley, Wolverton and Stony Stratford, were designated to become a new town, to ease the housing shortages in London, and accommodate a population of 250,000 by the year 2000. Milton Keynes met this target and continues to be a hub for long-term growth that has been innovative in capturing development value.

Unlike previous new towns, Milton Keynes was based on a 50:50 partnership of public investment and private enterprise with plans drawn up and overseen by the Milton Keynes Development Corporation (MKDC) which was responsible for the masterplanning, promotion of Milton Keynes, development of infrastructure and co-ordination of land disposal to developers.

In 1967 about 9,000 hectares of mainly Innovation in Milton Keynes continued, and in 2004 the Milton Keynes Partnership (MKP – a successor to MKDC) established a building tariff to pay for social and physical infrastructure. This provided developers with the certainty they required regarding development costs while allowing MKP, as the local delivery vehicle, to pool the contributions and use them to provide necessary strategic and local infrastructure at an early stage in the development process. It was subsequently replaced by the Community Infrastructure Levy.

> Milton Keynes continues to be one of the fastest growing places in the UK and has longterm plans to grow to a city of 500,000 by 2050.



PRINCIPLE TWO

Vision and leadership

The future inspired

It is important to have advocacy, sponsorship and multiple support from all parties.
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Inspirational places are the result of clear vision and leadership, sound planning, excellent design, and robust management to deliver against ambition. They are born out of a long term commitment to creating great places for the people that will live in them.

The right business model provides the right foundations to allow those promoting new community development to develop a long term vision for the new community. This vision should:

- + articulate the nature of the future place attracting new residents and investment
- + be locally relevant and distinctive
- + inspire all those who will work on the development programme to play their part in achieving it
- + form the basis of the new community masterplan and design
- + inform the client brief for all suppliers and delivery partners

Reputation and courage are crucial. Good places and developments need a champion who believes in place.

- + guide investment decisions
- + enable the establishment of a series of associated objectives, outcomes, and measures to monitor its achievement
- + stand the test of time.

Setting out a new vision for a place which doesn't yet exist can be challenging, and should be informed by:

- + The existing context including the environment, economy, history, society, and culture
- + Neighbouring communities
- + Current and future trends
- + Aspirations for the future.

A vision should be clear, concise, and easily understandable to all. It should be developed through a collaborative and engaging process led by the promoter of the new development, with a wide range of stakeholders able to establish a sense of ownership.



FOUNDATIONS FOR SUCCESS

4. A clearly articulated long term aspirational vision of the future community, accompanied by a flexible high quality masterplan, relevant design guidelines and/ or codes

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- 5. Early investment in placemaking
 - 6. Leadership which fosters a collaborative culture across the supply chain incentivising positive performance
- 7. A set of clear objectives, outcomes, and measures to understand what success looks like, integrated into management decision making, procurement, and contract management



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While a vision defines the aspired intended future of a place, a masterplan sets out the spatial interpretation of that vision. Investing in developing a high quality masterplan for a new community is a fundamental prerequisite for success. A well considered masterplan allows:

- + Interested parties to understand the design ambition, intended layout, scale, mix of use, phasing, and overall approach to the development
- + The local planning authority to understand how their strategies and policies will be applied to the development and the evidence base underpinning the development proposals
- + An understanding of how the new community will complement and integrate into the existing area and with neighbouring communities

- Establishment of key design parameters to guide the more detailed design of individual centres, neighbourhoods, landscape and the public realm, and strategic infrastructure
- + Commencement of engagement with potential infrastructure providers and funders based on a knowledge of requirements
- + Development of the overall delivery strategy for the new communities
- + The basis for procurement of development partners, further design teams, and contractors over time
- The promoter to effectively market the proposals to potential investors and future residents
- + The assembly of relevant data and evidence in one place to establish objectives, outcomes, and measures to understand what success might look like and whether it has been achieved.



Good masterplans allow flexibility over the long term enabling innovation and design evolution, whilst providing the key building blocks for the long term vision to be realised. They embrace the existing context and neighbouring communities, supporting and enhancing the existing local area.

Masterplans should be accompanied by appropriate design guidelines and codes to guide more detailed design so that these develop in accordance with the key principles and parameters of the masterplan and the overall vision.

Masterplans should be developed through an iterative and engaging process including the development and assessment of different options, working closely with the local planning authority and involving key stakeholders and neighbouring residents, to help develop broad consensus on the most appropriate proposition for the new community. The development of a robust masterplan that will stand the test of time and lead to high quality places is an investment in the future of the place. It takes time owing to the level of data and evidence that needs to be collected, and the substantial engagement and dialogue as it develops. Once agreed, the masterplan should continue to guide all future design and decisions, and be subject to periodic review.

Promoters must take responsibility for championing design quality in decision making, and should access masterplanning and design expertise to assist in the review of design proposals as they come forward. 'Placemaking and Value' explored five new-build communities and concluded that good placemaking can secure additional premiums of between 25% and 50%.

Placemaking and Value, 1st Edition, Royal Institution of Chartered Surveyors, February 2016

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Placemaking

Understanding what sort of place the new community will be is an important role of the vision and masterplan, but creating that place falls to those who are involved in delivery.

Establishing a sense of place early in the development of the new community is essential for those moving to the area to feel welcome and at home, and for habits to form from the outset that will determine the future path of the community. Providing appropriate social and civil infrastructure early is key to achieving social and environmental sustainability.

Schools and public spaces act as opportunities for neighbours to meet and social connections to form. Ready access to safe and sustainable modes of travel provide incentives for active travel. Providing support to allow new businesses to locate and become established can also help create new communities, and establish work/life

patterns of behaviour early on which encourage and support local lifestyles.

Many actors speak of the need to 'curate a place' in the early stages of its formation to sow the seeds for the community itself to grow and evolve. This can mean thinking differently about the normal phasing of delivery to create spaces and places for economic activity and social interaction early on.

Examples include:

- + Creating a public square, park, and/or playground prior to occupation of the first homes
- Through intelligent construction phasing and use of hoarding, have the core of the town centre open upon initial occupation
- Provide incentives for early location by businesses, such as rent free periods or having partly fit out premises for food and beverage or retail units, such as a grocery store



- + Providing co-working space
- + Having local construction labour recruitment on site
- + Opening new cultural or learning institutions early to stimulate foot fall and activation of town centres and public spaces
- + Initial homes being for rent (either private or social) to create a critical mass of residents at the outset
- + Having initial public transport services running from initial occupation.

This is not an exhaustive list, but seeks to provide ideas for how a promoter can lay the foundations for a new community's evolution and establishment. Many of these are only feasible through patient capital, and taking a long term view on financial returns.

Dialogue with the local authority and other public sector bodies, e.g. LocatED and Clinical Commissioning Groups early is necessary to determine requirements and options for the provision of services. A clear client brief establishing civil and social infrastructure requirements is also essential and should be developed at the earliest possible stage.

Careful consideration should be given to the nature of the existing neighbouring community, and how the new community can become both a natural extension to the existing place, as well as a new place with its own unique characteristics and identity.

Management

Delivering against a stated vision for a new community requires strong leadership and robust management systems. Every individual and organisation involved in the delivery of a new community development should be aware of the role that they play, and how this will contribute towards achievement of the vision.

The vision for the new community should be accompanied by a clear set of objectives and desired outcomes, which demonstrate what success would look like, along with a set of measures that enable monitoring and evaluation of achievement.

These objectives and measures should be integrated into all management decision making, and the programme and project management systems of the development programme, with regularly reporting to the relevant management boards.

When investment proposals are developed, consideration should be given to how a proposal will support achievement against the vision and its objectives, for decision makers to consider alongside other issues such as financial, risk, legal, time etc.

When procuring delivery partners, design teams, or contractors, tenderers can be asked how they would advance achievement against the stated objectives, and this can form a core element of the assessment criteria. Doing this sends a clear message of the importance attached to delivering the vision, and supports the appointment of partners which share the same goals for the community, and who have the capabilities to help achieve them. Delivery partners, designers, and contractors should all be provided a clear brief which sets out the vision, objectives, measures by which performance will be monitored, and the core requirements and deliverables expected of the appointed team.

A culture of collaboration across the supply chain should be supported and encouraged, with consideration made in relation to providing contractual incentives for achievement against objectives. Progress monitoring should form part of the contractual obligations, with penalties for under performance, thereby providing for a carrot and stick approach.

Regular monitoring across the programme, and periodic evaluation will help identify whether additional or corrective actions are needed in any particular area. Grosvenor's Supply Chain Charter sets out clear standards for the business, its suppliers and partners to ensure social and environmental value is delivered in all areas where the business operates.

Grosvenor Supply Chain Charter

Case study*

Poundbury, Dorset, 1993

An example of establishing a clear vision

In the late 1980s the county town of Dorchester was experiencing growing pressure to expand in response to a lack of affordable housing and increased demand for business space. With much of the surrounding land owned by the Duchy of Cornwall, the district council agreed a westward expansion of the town. This set the foundations for the project's focus on design and the desire that when complete, Poundbury would be seen as an integral part of Dorchester and appear as if it had existed for many years. The vision was also clear in its desire to provide significant levels of local employment. This mantra set the tone for all design principles with which were set up on the basis of delivering four distinctive urban quarters, each with around 500-800 households.

From the outset, Poundbury was advanced as a long-term project spanning some 30 years of ongoing development, but with its architectural style remaining tightly controlled through design codes.

While there has been criticism of the historical pastiche of its architecture, for many it is instantly recognisable as Poundbury, and for those that live and work there is a feeling that somewhere unique and indefinable has been created.



Case study*

North West Cambridge Development, 2013

An example of masterplanning which integrates existing and new communities

This development was conceived to provide the University of Cambridge with a unique opportunity to establish a new part of the city and to meet affordable accommodation needs for university staff. It was always considered to be a connected, urban extension to the city.

The completed development now forms an integral part of Cambridge, easily accessible from the historic centre, a 10-minute cycle ride away. Strategic connections can be made between Girton and the city centre, between West Cambridge, the science and business parks and the proposed Chesterton Station.

The local facilities are used by new and existing residents and support the creation of place. The North West Cambridge Development has become an important precedent for extending urban centres as demonstrated through the delivery of the first neighbourhood - Eddington.



PRINCIPLE THREE

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Engagement

Many hands make great places

As the majority of new communities will be built close to existing settlements, a sustainable way of life will depend on their sensitive integration with the locality in terms of environment, townscape and local culture.

Key to the success of a new community is engagement with people, particularly those who will be neighbours to the new development and may be among its future residents.

Engaging pro-actively and positively with existing neighbouring residents is one of the most important aspects of planning a new community development. These existing communities possess all of the tacit knowledge about what is like to live in the area now. Promoters can use this knowledge to inform the masterplan, design, and stewardship approach for the new places that will be created, so that they are more likely to be successful by responding to existing culture, needs, wants, and aspirations.

Integrating new and existing communities

Dialogue with existing neighbouring residents can bring alive the data and evidence gleaned through desktop research, and provide a qualitative view on different subjects, for example: local employment opportunities, local service provision, availability of amenities, transport networks, or quality of local parks etc.

These views and opinions are important to inform the future offer of the new place so that it complements and adds to existing neighbouring places, rather than conflicting or providing additional burdens on existing amenities and infrastructure.



FOUNDATIONS FOR SUCCESS

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8. Engage early, often, and throughout the lifetime of the development with neighbouring, future, and current residents The Institution of Civil Engineers (ICE) recently produced a report 'Connecting Infrastructure with Housing,' which was supported by research surveys by Ipsos MORI that concluded 60% of British adults would support the building of more housing in their local area if any necessary new infrastructure was built at the same time.

State of the Nation 2019: Connecting Infrastructure with Housing,' Institution of Civil Engineers (ICE), 2019.)



Future residents

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While future inhabitants of the new development could in theory come from anywhere, they may also come from existing neighbouring villages, towns, and cities. In engaging with these communities, promoters are therefore also starting a process of understanding not just the needs, wants and aspirations of their neighbours, but also their own future residents.

This is important for informing the design, and the nature and type of housing products, employment and leisure space that should be provided for the new community to be successful.

Building trust

Genuine open engagement with existing neighbouring communities, including the regular sharing of proposals, plans, and designs helps to build trust and mutual understanding, which also increases the likely potential support for any development proposals put forward through the planning process.

It is important that promoters are honest in their interactions, and that promises made are delivered, so that local communities feel that their opinions are valued, and that they have a real stake in the future of their area.

New residents

Engagement should be an ongoing process with regular feedback provided, and opportunities for interaction over the lifetime of the development.

This is particularly important for new community development because of the long delivery timescales. The first residents to move in, will in turn become neighbouring residents of future development. As a result, they will be able to provide invaluable real time feedback on how the community is evolving and growing, and whether changes in approach, provision, or design may be needed for future phases.

Enabling opportunity

The development of a new community creates a wide variety of new opportunities for both existing neighbouring residents and the community's future residents.

Taking active steps to enable existing communities to understand and take advantage of these opportunities can be critical to success. Not only can this provide the incentive for existing communities to support new development proposals, but it also supports the future success of the new community, through, for example, providing ready access to local labour for construction, or suppliers to support new businesses locating to the area, or providing the initial customers for new retail or leisure services, or pupils for new schools.

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Tools and techniques

Effective engagement mechanisms include:

- + Using scenario planning to actively encourage individuals and stakeholders to explore a range of different futures for their area, to identify those things which seem more or less likely, and what is more or less desirable
- + Involving communities in the development of the vision for the new place, with a focus on desirable outcomes and what 'good' might look like
- + Explaining the rationale for masterplan design propositions as they evolve, and being prepared to be challenged, and change direction if they prove unpopular
- + Sharing and seeking feedback on masterplan options as they develop to inform preferred option development

- + Involving local communities in the masterplanning and design process overall, but also for particular neighbourhoods, buildings, and the public realm through participatory design techniques such as planning for real or design charettes
- + Using digital and online platforms alongside face to face interaction to reach and gain input from as wide an audience as possible
- + Understanding local demography, monitoring the diversity of those engaging, and taking active steps to address under engagement by particular groups
- + Providing feedback on how engagement has informed future plans for the community, including what is and is not possible and why
- Viewing existing neighbouring communities as future tenants, owners, workers, shoppers, students, visitors, and creating

an effective database and communication platform to inform them of developments and opportunities as they arise

- + Creating a database of those who may be interested in moving to the new community to enable interactive feedback on new products and phases as they emerge
- + Creating a database of committed future new residents and those who move in to gain real time feedback, potentially establishing some form of residents association or panel to inform future phases
- + Undertaking engagement throughout the development lifecycle, including into occupation
- + Conducting formal post-occupancy evaluation to identify what is working well so that it can be replicated and what needs to be addressed to ensure places function as intended.



Case study*

A 2050 vision for Central Bedfordshire

An example of collaboratively developing a shared vision and objectives for a place

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Positioned at the heart of the UK's road, rail and air networks, 30 minutes from London, and located at the middle of the Oxford - Cambridge Growth corridor, Central Bedfordshire is set for significant population growth and change over the coming years.

In 2019, Central Bedfordshire Council embarked on a collaborative and engaging exercise to enable local people to understand the changes that were likely to occur and the possible impacts for them. The ambition was to create a genuinely shared vision for 2050 born out of local dialogue and conversations to create a sense of local ownership of the future. The programme of engagement and conversations explored what made Central Bedfordshire unique, what challenges it might face, and what the future might hold. It brought together residents, businesses and organisations. Steps were taken to actively take the project to specific meetings and events such as Older People's Festival, Equality Forum, Head Teachers Forum, Youth Parliament, Tenants groups, and Children in Care Council to reach as broad a section of the community as possible.

The project challenged current thinking and identified an ambitious but realistic long term vision for Central Bedfordshire with broad consensus behind it.



Case study*

Voice Opportunity Power

An example of tools to encourage and support young people engaging in shaping regeneration projects

Voice Opportunity Power is an engagement toolkit targeted at built environment professionals, providing free practical guidance on how to involve young people in the way that places get built and managed, devised in collaboration by Grosvenor Britain and Ireland, Sport England, TCPA and ZCD Architects.

The toolkit provides guidance on how to:

- + involve young people in the early stages of the process
- + allow them to have a strategic influence on the brief and design
- + make that influence relevant and appropriate to the needs of young people

- deliver a physical intervention or improvement early on (a meanwhile project)
- demonstrate to young people, the development team and the community at large that young people have had a meaningful impact on what is proposed.

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The toolkit suggests five interactive sessions with young people, providing advice on how to run the sessions, where to hold them, who should attend, and what materials should be used. The five sessions integrate into RIBA design stages, starting at Stage 1 and running up to a planning submission in Stage 3.



PRINCIPLE FOUR

Capacity and capability in local government

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Custodians of place

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Local authorities have a key role to play in all new community developments, from defining the strategies, policies and priorities that should govern an area, to ensuring that development delivers tangible benefits for local residents.

Local authorities can support the delivery of high quality new community development through:

- + Providing clear leadership regarding the overall vision for the local area, sending a clear message about local priorities to interested promoters
- + Having an approved Local Plan in place setting out local planning policy, and defining areas suitable for new community development
- + Working collaboratively with neighbouring authorities to have common policies for proposed new community development sites crossing local authority boundaries

- Working proactively with promoters to develop the vision and masterplan for a new community, design guidance or codes; unlock infrastructure funding and delivery; and in relation to engagement with key stakeholders and local people
- Developing programmes and projects with promoters, key delivery partners and members of the supply chain to support achievement of economic, social and environmental objectives
- + Acting as the promoter where the local authority owns the land, or acquiring land where there is market failure in bringing sites forward for development
- + Establishing clear performance requirements and monitoring their achievement to enforce standards.



FOUNDATIONS FOR SUCCESS



9. Collaborative working between local authorities and promoters of new community development

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10. Local authorities with the capacity and capability to establish clear policies for new community development; instigate, develop and enter into delivery partnerships where appropriate; and use planning and CPO powers where necessary to ensure delivery and high standards 105

Instances where planning is dealt with comprehensively with a stable approach from officers and members are the most successful.

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Local Plans

Local Plans should provide vision and a joined-up strategy for how individual cities or towns should grow and regenerate through the addition of new communities. This promotes local understanding of the interconnected nature of population, economy, along with the civil and social infrastructure that support the creation of place.

Where Local Plans are in development or revision, and new community developments are being considered or proposed, local authorities should seek to learn from previous precedents elsewhere to develop as robust proposals as possible. English local authorities should closely monitor next steps in relation to planning reform, following the publication of the 2020 White Paper 'Planning for the Future'.

Where the authority possesses little or no prior experience of large scale new community development, they are recommended to seek advice from other more experienced authorities, or suitably qualified external advisors to provide support to:

- + increase the likelihood of Plan approval success at inspection
- + consider the possible legal challenges to the Plan post approval so it can be as robust as possible.

Design Codes

Design guidance or codes for new community development sites should be produced in partnership with promoters where collaboration is feasible and working well. Yet where collaboration is proving challenging, or there is insufficient confidence in the promoter's inclination or ability to demand or enforce high quality design, local authorities should take the lead in code production. In the RTPIs formal response to the Comprehensive Spending Review (CSR), the Institute sets out the vital role planning plays in facilitating economic growth, providing affordable housing, tackling climate change, ensuring access to green space and improving wellbeing. The RTPI considers half a billion pounds must be injected into England's planning system over the next four years to ensure the government's objectives on housing, beauty, climate, the economy and health can be achieved

TPI response to the Government's Comprehensive Spending review, eptember 2020

Capacity and capability

For local authorities, engaging proactively with new community development is important to ensure positive outcomes for local people. It is, however, time consuming and challenging to dedicate the required resource when faced with other competing priorities.

Local authorities can consider a range of different mechanisms to increase their capacity and capability including:

- + Agreeing Planning Performance Agreements with promoters. These can include funding to support recruitment of dedicated personnel within the authority
- + Seeking secondments or placements from industry or other relevant public bodies into the authority
- + Working jointly with neighbouring authorities, authorities of different tiers (e.g. local county or combined

authorities), and/or other public agencies (e.g. NHS) to establish dedicated teams sharing resources

- Developing relationships with national government and their agencies to gain access to potential additional resources, expertise, and political support
- + Applying for government funding or accessing the Government Projects Academy if available and appropriate
- + Establishing a design review panel to draw on specialist external expertise to drive up the quality of design
- + Establishing programmes and projects together with the promoter, supply chain, and/or other parties which may attract match or external funding, or could be led by other parties e.g. a local college.

Local authorities as landowners

Where local authorities are landowners, they can actively promote the development of a new community themselves, or seek a private development partner.

Retaining ownership of the land is preferable to sale to support the delivery of high quality new development. Whilst the authority could place restrictive covenants on the land to have some control over the future nature of the development, it would still lack any power to ensure that the development would actually proceed.

Where sale is a necessity, then evaluation criteria should be broader than purely financial to assess a purchaser's ability, intent, and track record in delivery, as well as in creating places of enduring quality.

Partnering and procurement

Partnering arrangements for delivery can take many different forms, including development agreements, joint ventures and establishing special purpose vehicles. Local authorities should seek specialist external legal advice to guide them on the most appropriate legal structure.

Local authorities should design the procurement carefully to enable the selection of a partner who will work collaboratively with them to achieve their objectives for the new community.

Tenderers should be asked how they would support the delivery of the intended outcomes, with sufficient weighting provided against key priorities for the authority. The assessment process should include opportunities for interaction to assess how the tenderer would approach collaboration.

Development companies and corporations

Where local authorities lead the development of the new community themselves, they could establish an arms length development company, to provide greater autonomy and flexibility to take the development forward, whilst still being subject to democratic accountability.

Local authorities can also make a request to central government that a development corporation is established, whether the land is owned by the public or private sector. These public sector led development corporations have their own planning powers, providing a further level of autonomy from the local authority. This can be useful in certain circumstances, for example, where the size and scale of the development would dwarf the usual business of the local planning authority, and requires different expertise to administer.

Compulsory purchase orders

Local authorities can also use compulsory purchase order (CPO) powers. They may wish to do this in a select number of circumstances where negotiation by private treaty is either not feasible or has failed, or clean title is needed to proceed.

Local authorities should access relevant specialist expertise to proceed with any proposed CPO. It should be considered as an important tool available to facilitate new community development, but also as a last resort in acquiring landholdings.

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Stewardship

Given their responsibility for the provision of many public services, local authorities are in many areas and circumstances the natural organisation to take on responsibility for ongoing new community estate management and maintenance.

Such stewardship responsibility does, however, come with significant capital and revenue budget implications. In order for these to be manageable, arrangements must be considered at the earliest possible stage to inform planning, masterplanning, design and investment decisions.

Local authorities should proactively seek to understand proposed stewardship arrangements as part of their initial engagement with promoters, aiming to reach agreement on the desired mechanisms and arrangements at the earliest possible stage. This has the benefit of maximising potential opportunities for revenue generation to assist in paying for future upkeep. Where it is intended that the local authority may become responsible for some areas, e.g. maintenance of the public realm, or waste collection, then the local authority should ensure that their requirements are clear to the promoter, and apply relevant conditions to any planning consent. The application of any planning gain contributions should also factor in ongoing service delivery costs that may be anticipated.

A recent report by the charity The Land

a direct financial benefit if they plan,

set out the importance of securing the long term investment to maintain the green space at the earliest possible stage. At Port Sunlight, £3.4 million investment to create and maintain the River Park in perpetuity has already added £7.8 million to nearby properties' value in just 3 years.

Given the custodian role of local authorities, it is recommended that they are fully involved in discussions about future stewardship arrangements even if it is not intended for the local authority to be the responsible party for operational management, e.g. where a foundation trust or similar is proposed to be established.

Local authorities can provide political accountability, especially where new communities have yet to be established and have their own voice.



Case study*

Queen Elizabeth Olympic Park, 2012

An example of public sector leadership to achieve high design quality over the long term

The plans for the London 2012 Olympic and Paralympic Games placed the creation of a new urban park at the centre of its ambition, with strong ecological and sustainability credentials.

Ensuring that the legacy community was actively planned for during the design of the Queen Elizabeth Olympic Park enabled London to avoid the dilemma that most cities face from under-utilised facilities post Games. The masterplan provided the building blocks for the delivery of a vibrant London quarter that is well regarded as a global precedent for the design and delivery of a new community. The Olympic Delivery Authority's (ODA) focus on minimising long term costs and maximising long-term value influenced the overall masterplan and design strategy.

In a significant departure from traditional design-and-build procurement, the ODA appointed design teams to develop proposals to at least RIBA Stage D (Stage 3) before going out to tender. This enabled greater control of quality up front and focus on delivery once contracts were let. Design teams were then in most instances novated to the selected contractors.



Case study*

Ebbsfleet Garden City, 2014

An example of a development corporation being established to enable delivery

Development proposals for the Ebbsfleet area have been in the pipeline for over 20 years. Development has started and stalled a number of times.

Ebbsfleet Development Corporation (EDC) was set up in 2015 by the UK Government to accelerate delivery of up to 15,000 homes and create a 21st century garden city. The garden city label presented a commitment by central government to good quality place-making, community building and sustainability, as well as improving perceptions about Ebbsfleet as a place to live and invest.

The EDC is working with local authorities and local communities to develop a shared vision for the area, providing high-quality, attractive and sustainably constructed housing as well as an ambition to create 30,000 jobs.

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With major investment in infrastructure, the EDC is now facilitating the highest delivery rates for many years catalysed by public-sector investment and co-ordination.



PRINCIPLE FIVE

An enabling policy environment

Support from the centre

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National government has a key role to play in supporting the delivery of new communities that deliver the best outcomes for the nation. It can:

- + Encourage new community development through national planning policy
- + Promote economically, socially, and environmentally sustainable development through national planning policy, design and construction standards, regulation, procurement and funding criteria
- + Support new entrants into the market by removing barriers to entry

- + Provide access to expertise and resources to support local capacity
- + Provide funding and finance where market failure exists allowing schemes to come forward which would not otherwise
- + Promote new community development directly through housing delivery agencies or through central establishment of local delivery vehicles.

FOUNDATIONS FOR SUCCESS



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- 12. Availability of government and government backed long term forward funding and finance, which incentivises high quality design, together with an understanding of, and ability to capture land value uplift through public investment and decision making.

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Planning policy

National planning policy plays a critical role in the delivery of new communities. New towns and large urban extensions frequently cross local authority boundaries, and their size and scale means that there are only certain locations where they can be accommodated successfully and sustainably.

To ensure their long-term success, new communities need to be developed in locations where infrastructure requirements are met and where economies and cultures can flourish.

National government is uniquely placed to understand housing need and affordability across the country, levels of economic growth and prosperity, and how these factors align with nationally significant infrastructure and planned investment locations, to support sustainable development.

National spatial planning can significantly assist with the delivery of new communities. By setting growth and infrastructure priorities across the country, the most appropriate strategic locations for new community development can be established, supporting economic development and regeneration, and providing greater clarity to local authority leaders, investors, promoters, and existing communities regarding where new large scale housing development is best placed.

Where areas are identified as potential strategic locations for new community development, regional spatial plans or frameworks can then create the basis for effective cross boundary strategic planning between authorities to enable their realisation. If national and regional planning frameworks were in place, local authorities would have more time to engage with existing local communities discussing the nature of potential new community development and the benefits it could bring, rather than whether it should happen at all. This should help to create more positive and

Local authorities would also experience greater autonomy and authority to reject proposals from promoters for new community developments in inappropriate locations.

meaningful discussions.

The government released a White Paper, 'Planning for the Future' on the future of the planning system in England in August 2020. A specific focus of this paper is potential reforms to the planning system. The intent is to streamline and modernise the planning process to provide greater certainty upfront about the type of development that will be accepted.

Planning for the Future, White Paper, MHCLG August 2020

A lack of certainty about where growth should go, and how much should be accommodated, is leading to unacceptable delays with Local Plans. Strategic decisions, such as the planning of major new communities, need to be taken at a national or cross-authority level with the local planning all about delivering great places – not debating whether they are right or wrong.

Standards and regulation

With a number of notable exceptions, the previous poor track record in delivering high quality new communities within the UK means that it is important not just to focus on how to create the right conditions to enable great places, but also how to avoid poor quality places being delivered.

To address concerns over the poor quality of recent housing developments, the UK Government recently published a National Design Guide (MHCLG, 2019) to provide guidance on what constitutes good design following the establishment of the Building Better, Building Beautiful Commission (BBBBC). A National Model Design Code (MHCLG, 2021) provides a template for local authorities and developers to use when developing local codes.

The National Design Guide and Model Design Code establishes a more coherent national baseline on what constitutes good design, and provide local authorities with greater understanding as to what a local code should include.

However, not every local authority or promoter has the ability or will to develop a bespoke code if not mandated, and in the absence of a local design code, and/ or Local Plan, national government policy intervention is required to establish minimum standards beyond building regulations.

One particular area where this is necessary is in relation to space standards. The Covid19 pandemic has thrown into sharp focus how small some homes really are, especially when households are expected to live, work, and spend so much time in them. However, while there is a nationally described space standard (MHCLG, 2015), it is optional for local authorities to include in Local Plan policy, and subject to viability. As part of its current focus on quality, the UK Government is encouraged to actively explore the degree to which guidance, codes, and standards can be enforced, as well as considering the role that minimum standards could play in improving the quality of large scale housing development nationally.

Another area where changes in regulation would benefit the quality of new communities delivered is infrastructure. Attracting investment to deliver appropriately sized and environmentally sustainable infrastructure can be challenging for new communities due to the current regulatory environment. In 2019, the National Infrastructure Commission published the report 'Strategic Investment and Public Confidence'. This considered the changes in regulation needed to facilitate more strategic infrastructure investment. It found that a more strategic approach would help provide investors with greater clarity on the opportunities available, and that regulators should be empowered to approve long-term, high quality, strategic investments in infrastructure, with government providing strategic leadership. The UK's National Infrastructure Strategy (HmT, 2020) states the commitment to publish a policy paper on economic regulation in 2021 to address these issues. The UK Government is encouraged to consider how changes could support greater investment in sustainable technologies within new communities at the scale required for their intended population.

Funding and finance

Due to their long term nature, and their high upfront investment requirements, promoters of new community developments can struggle to access the funding and financing they need to deliver long term high quality development.

Central government can play a critical role here in addressing this market failure by providing forward funding in the form of both grant and long term loan financing.

The Home Building Fund (HBF) provides public finance to private sector businesses in England to build new homes or prepare sites for development. The fund enables promoters to reinvest revenues back into the development scheme for future phases, thereby enabling a longer term approach than may be feasible with commercial financing.

Access to government backed long term grant funding and loan financing is considered essential for multiphase sustainable large scale new housing development to be delivered sustainably.

The Housing Infrastructure Fund (HIF) programme was established in England by the UK Government to provide grant funding to local authorities for the period 2018-19 to 2023-24, to fund physical infrastructure such as roads, community facilities and utilities

Alongside the HBF loan facility, and the long awaited successor to the Housing Infrastructure Fund being introduced, the potential for guarantees should also be explored, including whether the Treasury's large infrastructure guarantee scheme, to be provided through the new National Infrastructure Bank, could support the forward funding of new community infrastructure and development.

Land value capture

Public sector involvement in new community development schemes can often result in an appreciation in land and development values. Where the land is in private ownership, capturing value appreciation in order to reinvest in the community itself or other public services can often be challenging.

Land and development values can rise as a result of planning policy changes, planning decisions, investment decisions, funding and financing of infrastructure, and political announcements and support to new community developments.

Where the public sector provides investment to private parties to enable schemes to be delivered which otherwise wouldn't be, this raises practical state aid considerations, and should only be provided where market failure can genuinely be demonstrated. Capturing land value appreciation for the benefit of the public is important to ensure that public money is spent wisely and benefits those it is intended to.

Transactions involving public sector land and/or public sector funding or financing should have appropriate landvalue capture arrangements in place prior to drawdown of funding and/or as part of development agreements or partnerships.

However, land value capture is an area which is not well understood within both industry and the public sector. To rectify this knowledge gap, it is recommended that industry, local and central government representatives come together to debate the different options, opportunities, and challenges, to develop a series of recommendations for central government regarding actions they can take. This could be facilitated through the establishment of a Government task force.

Incentivising innovation and quality

Government can play a significant role in driving up the quality of development that is delivered in those new community schemes that it provides political and financial support to.

Funding decisions have been criticised for primarily assessing the number of homes that will be delivered, rather than the nature of the place that will be created.

For large scale investments that require a business case, assessments are often seen to prioritise value for money over more qualitative considerations which will influence the nature and the likely success of the new community itself.

The revised Green Book appraisal methodology (HmT, 2020) emphasises a greater focus on the strategic case, policy and place based considerations. This is welcome, and a focus on place should be incorporated into all government and government agency support to new communities. Investment appraisal and funding decisions should attach weight to criteria which align with policy objectives, e.g. net zero carbon. This can stimulate innovation in design and delivery models; incentivise the development of proposals which will deliver against objectives; and help ensure poor quality schemes do not receive funding.

To ensure delivery against qualitative criteria, achievement should also be monitored during the lifetime of the contract. Contract conditions should be established which relate to the quality of the scheme, e.g. masterplan development and approval prior to funding drawdown.

In order to assess these qualitative aspects of proposals and to monitor quality of delivery, government funding agencies should ensure that they have access to appropriate expertise and skills in the relevant areas.

Supporting diversification

To support wider diversification in the delivery of new communities, investment or funding opportunities should also seek to encourage and support new entrants into the market place.

The UK Government is encouraged to investigate the potential for the new national infrastructure bank to be able to invest in sustainable communities. Following the precedent of the Green Investment Bank, the new infrastructure bank could encourage alternative forms of finance, investment and housing products. This could in turn support the potential for SME developers, housing co-operatives and communities to form a greater part of building new community developments. Learning from the past is crucial; significant investment at Milton Keynes went back to Treasury when it should have been directed into the local planning authority, whereas Letchworth is a great example where any money made was reinvested.

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Direct intervention

In certain instances, national government can itself lead the delivery of new community development, working alongside local partners.

National government has significant landholdings, where it can act as a promoter. Alternatively, it can enact powers to establish a development corporation. A current example of the latter is the Ebbsfleet Development Corporation for Ebbsfleet Garden City.

Establishing a development corporation could follow a local authority request, or be proposed by national government. The latter is likely to be in instances where it is felt that the right location and opportunity exists for a sustainable new community, but it is unlikely to come forward without direct national government intervention. Where national government does play this role, then careful consideration should be made as to the appropriate governance and stewardship of the new community, both in its development and in perpetuity, taking the role of local authorities into account in particular. Consideration should also be made as to whether and how any government investment should be repaid, balancing out returns to HM Treasury with the need to have funds locally to invest in infrastructure and development throughout the different phases, as well as for ongoing maintenance and management.

Capacity

The long term and large scale nature of new community developments require significant resource, expertise, skills, and experience. National government can support local authority capacity to promote new communities themselves, or engage effectively with private sector promoters, by providing access to knowledge and expertise.

This can be done in a number of ways including:

- + Providing written guidance and toolkits
- + Signposting examples of best practice
- + Providing access to revenue funding for the local authority to procure their own expert advisors directly
- + Appointing a panel of experts

available to local authorities to draw on for advice, which could be on an adhoc or ongoing basis, or via secondment into the authority (where either national or local government pay for services)

- Enabling local government new community development project leaders to access the Government Projects Academy and providing scholarships available for this purpose
- + Nominating or recommending experts to sit on or act as advisors to local relevant boards.

Given the current national policy drive towards the establishment of more new communities, all of these actions are recommended as steps which can and should be taken to support local authorities.

UK2070 Commission

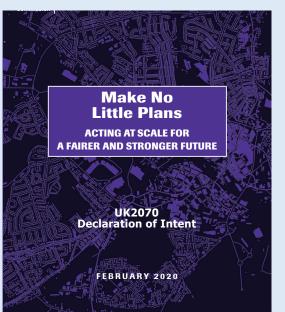
An example of evidence supporting the role of national government in identifying locations for areas of strategic growth and investment

The UK2070 Commission was launched in 2018 as an independent inquiry into city and regional inequalities in the United Kingdom. Chaired by Lord Kerslake, it reviewed policy and spatial issues related to the UK's longterm city and regional development.

The report of its findings and a 10 point action plan were published in February 2020. It found that whilst cities and regions are playing an increasing role in tackling inequalities, deeper structural inequalities cannot be tackled by local action alone. It identified the need for a national framework to create a sustainable and people-centred approach to urban and regional development in the UK, and address some of the political and economic uncertainties brought by Brexit, by COVID-19 and by the global challenges of technological and climate change.

The UK2020 Commission notes that there are national spatial frameworks for Scotland, Wales and Northern Ireland, and advocates a new national spatial plan for England, given the cumulative spatial impact of decisions, taxation regimes and spending programmes, which cannot be found clearly articulated in one place.

The Commission states that the relationship between national and sub-national planning is key, and cites the well-established basis for local joint strategic planning in Scotland, for the metropolitan area of Glasgow and the Clyde Valley, as well as the strategic spatial plans emerging through the work of the Combined Authorities (e.g. Greater Manchester and Greater Cambridge and Peterborough) or joint statutory plans (e.g. Oxfordshire).



The Oxford Cambridge (OxCam) Arc, 2020

An example of collaboration between national and local government to bring forward new community development

Keynes and Cambridge in England has a unique opportunity to drive both local and national economic growth. Located in an area of top ranking universities with a world renowned science and technology cluster, it has all of the attributes to support further high quality jobs, new homes, and international investment and exports for the benefit of existing and future residents and the national economy.

It is also an area located across multiple local authority boundaries, and grasping this opportunity requires significant coordination across many actors, and new ways of working. Strategic planning beyond the local level is needed to be able to make the most of existing infrastructure, identify new infrastructure requirements, support new jobs, innovation, and the building of new communities, alongside protecting and enhancing the natural environment.

In 2018, the UK Government highlighted the opportunity in the Arc in a report by the National Infrastructure Commission. 2019 saw a joint declaration between the UK Government, local authority leaders and chairs of the Arc's Local Enterprise Partnerships committing to working together on the opportunity over the long term until at least 2050.

The land located between Oxford, Milton More recently, in the Spring 2020 budget, the Government announced formal plans to develop, with local partners, a long-term Spatial Framework. It is also going to examine and develop the case for up to four new Development Corporations at Bedford, St Neots/Sandy, Cambourne and Cambridge, and explore the case for a New Town at Cambridge, to accelerate new housing and infrastructure development. These steps pave the way for joint working between local and national actors to develop new communities that could potentially accommodate up to a million new homes, alongside realising the economic opportunity presented at OxCam.

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Long term business models

Vision and leadership

Engagement

Capacity and capability in local government

An enabling policy environment

FOUNDATIONS FOR SUCCESS

- 1. Long term business models, featuring long term land and asset ownership, supported by patient capital
- 2. Early investment in strategic and sustainable infrastructure, sized appropriately for the development as a whole, considering its operational requirements over its lifetime
- 3. Developing stewardship models early to inform investment, planning, and design decisions for the new community

- 4. A clearly articulated long term aspirational vision of the future community, accompanied by a flexible high quality masterplan, relevant design guidelines and/or codes
- 5. Early investment in placemaking
- 6. Leadership which fosters a collaborative culture across the supply chain incentivising positive performance
- 7. A set of clear objectives, outcomes, and measures to understand what success looks like, integrated into management decision making, procurement, and contract management

- 8. Engage early, often, and throughout the lifetime of the development with neighbouring, future, and current residents
- 9. Collaborative working between local authorities and promoters of new community development
- 10. Local authorities with the capacity and capability to establish clear policies for new community development; instigate, develop and enter into delivery partnerships where appropriate; and use planning and CPO powers where necessary to ensure delivery and high standards
- 11. National government identification of appropriate areas for new community location; promotion of high quality design underpinned by appropriate quality standards and regulation; and capacity building support to local authorities to lead or engage effectively with new community development
- 12. Availability of government and government backed long term forward funding and finance, which incentivises high quality design, together with an understanding of, and ability to capture land value uplift through public investment and decision making.

A call to action

New communities which inspire are those which are healthy, productive, thriving, distinctive, resilient, and connected. They respond to current and future trends to become sustainable places where people desire to live.

Now is the time to set a new ambition for the design and delivery of new communities in the UK, to create great places that are fit for the 21st century and beyond.

A call to action

With a few notable exceptions, the UK's track record in delivering inspiring new communities has been poor. The impacts of this will be felt for decades and centuries to come. Delivering sustainably and addressing the pressing challenges of climate change, demographic change, and technological change is now a necessity.

The UK's continued undersupply of new homes to meet housing need, and the delivery of low quality developments in inappropriate places, provides a poor reflection of the skills, expertise, and experience that exists in the UK built environment industry. The select number of high quality new community developments that have been delivered to date demonstrate that the capability does exist to create amazing sustainable places.

Collectively the industry can and must do better. All actors have their part to play. Landowners, developers, promoters, local authorities, central government, investors, designers, advisors, and contractors, can all influence the nature of the development that is proposed, the type of place that is delivered, and the community that will form and evolve over time.

Through delivering differently in accordance with the five principles set out in this report; with long term business models, clear leadership and commitment, collaborative working and government support, new community development in the future can look very different to the most recent past.

It is vital that the built environment and real estate industries and public sector now come together to understand how the foundations for success identified here can become the norm, rather than the exception, so that future UK new communities are the truly inspiring places that we deserve.





Next steps

The five principles and twelve foundations identified in this report establish prerequisites for success in addressing the interconnected issues and challenges presented in the delivery of 21st century new communities in the UK. For change to happen though, application of these principles needs to become widespread and business as usual by all those involved in the delivery of new community development.

Over the next year, ULI UK and Prior + Partners will be delivering a new programme of activity bringing together individuals and organisations across the real estate and built environment industries and public sector to conduct a deeper dive into issues and challenges associated with delivery, and how the principles and foundations for success can become every day practice.

The programme will seek to:

- + create greater understanding of the barriers to success and how they can be overcome
- + identify whether there are any gaps in knowledge or data that needs to be addressed to improve delivery
- + exchange knowledge and best practice in the delivery of new community development.

The programme will encompass a series of roundtable discussions, site visits, and study tours.

These activities aim to:

+ influence a change in industry and public sector approaches to new community development to be longer term

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- understand better the role investors can play in supporting high quality outcomes for new communities
- inspire and create the next generation of leaders to deliver inspiring new communities
- improve the approach to local engagement on new community developments
- increase the capacity and capability of local authorities to engage with and lead new community development
- + create a better enabling national policy environment.

Interested individuals and organisations can register their interest in participating by contacting Sarah Musgrove, Executive Director ULI UK sarah.musgrove@uli.org.

Changing the way new community developments are delivered is not an option but a necessity for today and tomorrow's world. Together, lets raise the ambition! About

PRIOR +PTNRS

Prior + Partners

Prior + Partners (P+P) is a planning and urban design practice. P+P brings together multi-disciplined design teams with the purpose of creating meaningful and successful places grounded in a strong understanding of civic responsibility, planning policy and implementation.

The practice was formed with the ambition to create urban environments that delight and inspire, are safe and memorable, and recognise the social, civic and environmental responsibility that lies with creating new places and communities.

Helping to solve many of the urgent challenges facing communities in our towns and cities, and to make sure the potential of every project is unlocked, P+P works at a range of scales from city and region to individual sites. P+P values social and economic outcomes and environmental performance as critical indicators of success. Central to its working methodology is the establishment of a project culture based on collaboration and commitment, design excellence and rigorous review.

United Kingdom

The Urban Land Institute

Urban Land Institute (ULI)'s inter-disciplinary membership represents all aspects of the real estate and built environment industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, lawyers, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 81 countries.

The extraordinary impact that ULI makes on land use decision-making is based on its members sharing expertise on a variety of factors affecting the built environment, including urbanisation, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Drawing on the work of its members, the Institute recognises and shares best practices in urban design and development for the benefit of communities around the globe.

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