NEW TOWNS: WHAT CAN WE LEARN FROM HISTORY?

The Government's promise of 1.5 million new homes over the parliamentary term was reinforced last week in the Prime Minister's reset and in the new NPPF.

Central to this thinking, alongside planning policy changes around housing targets and grey belt development, is a new wave of New Towns.

In September, the Government announced that cities and local government expert Sir Michael Lyons would chair the New Towns Taskforce, supported by Dame Kate Barker as deputy chair. Barker was the author of two very influential reports on housing and planning in the 2000s which have shaped much of the debate in those areas since. Their remit is to recommend locations for "large-scale communities" of at least 10,000 homes each.

> "A NEW GENERATION OF NEW TOWNS AND LARGE SCALE URBAN EXTENSION COULD PLAY A SIGNIFICANT ROLE IN THE GOVERNMENT'S PLANS FOR ECONOMIC GROWTH AS WELL AS OFFERING NEW HOMES ON AN AMBITIOUS SCALE."

QUICK SUMMARY

THE ORIGINAL NEW TOWNS WERE NEVER A MAJOR CONTRIBUTION TO HOUSING SUPPLY: THEY WILL NEED TO BE LARGER AND MORE RAPIDLY BUILT THAN IN THE 1950S AND 1960S.

THE CORE OF MODERN NEW TOWNS NEEDS TO BE DENSER, SO THAT MORE PEOPLE CAN LIVE WITHIN WALKING DISTANCE OF THE CENTRE AND THE STATION, HELPING TO SUPPORT AMENITIES SUSTAINABLE TRANSPORT

THE HOUSING TYPES AND TENURES NEED TO BE FAR MORE DIVERSE THAN IN THE ORIGINAL NEW TOWNS – PARTLY TO MAXIMISE DEMAND AND BUILD OUT RATES.

WE HAVE A GREATER UNDERSTANDING OF THE IMPORTANCE OF CITIES AND ECONOMIC AGGLOMERATION THAN IN THE EARLY 20TH CENTURY – AND THIS SUGGESTS THAT URBAN EXTENSIONS MAY BE MORE ENVIRONMENTALLY AND ECONOMICALLY SUSTAINABLE THAN DISCRETE NEW SETTLEMENTS.

IF THE GOVERNMENT IS DETERMINED TO BUILD NEW SETTLEMENTS, THEY NEED TO BE OF GREATER, CITY-SIZED SCALE THAN THE EARLY NEW TOWNS; THERE IS A REASON WHY THE LARGEST, MILTON KEYNES, IS THE MOST SUCCESSFUL.

THE LAND QUESTION IS GOING TO PROVE CONTROVERSIAL AND GIVEN THE POTENTIALLY SMALL IMPACT OF NEW TOWNS THERE MAY BE OTHER, BETTER WAYS TO MAXIMISE HOUSING SUPPLY IN THE SHORT TO MEDIUM TERM.

FROM GARDEN CITIES TO NEW TOWNS: THE BACKGROUND

The original New Town policies stem from the Garden Cities Movement inspired by Ebenezer Howard. He abhorred the conditions and sheer size of Victorian cities and aimed for a new synthesis of town and country in a series of smaller settlements.

In effect, he – and his followers – wanted to clear the population out of cities and spread them more equally around the country, where they would abandon the sins of the inner cities and engage in more healthy pursuits like gardening. (As the urbanist Jane Jacobs would later say, Howard's solution to the problems of the city was to do the city in).

He thought no-one should live in settlements that more of about 25,000 people, and that once a new settlement had reached that point a new one should be built elsewhere. Howard did manage to get two prototype Garden Cities built, at Letchworth and Welwyn in Hertfordshire. Although they have been much expanded since they were built in the first couple of decades of the 20th century, their roots are still quite visible today.

Howard continued his efforts, and, along with his disciple Frederic Osborn, set up a group called the New Townsmen to lobby for a wider programme of dispersal and new communities, and there was already talk of new settlements in a ring around the capital in the 1930s. Osborn, a Welwyn resident, would go on to become the greatest advocate of New Towns after the Second World War.

The policy environment was already moving in his favour. The economic success of London and the Midlands in the 1930s contrasted more strongly than ever with a declining North, and the rapid and somewhat unplanned outward growth of the capital and some other cities in that decade had unsettled some in government.

Meanwhile, there was growing concern over the conditions in the inner cities and the implications for health and British economic competitiveness. The Barlow Report (actually 'The Royal Commission on the Distribution of the Industrial Population') was commissioned in 1937.

Published in 1940, it recommended the decentralisation of industry and people from London and other big cities, and the creation of New Towns that would provide better and more spacious housing.

The real decisive move came four years later with the Abercrombie Plan for London, which called for new towns in a belt 25-30 miles from London. This was followed by the 1946 New Towns Act, giving the government the power to designate New Towns, to set up Development Corporations to guide them, and to give those corporations the power to acquire land. The locations were then chosen based on criteria such as transport links, site suitability, proximity to employment, and so on.

Howard wasn't the only inspiration for New Towns. Radburn, in New Jersey, was founded in 1929 as a 'town for the motor age'. Although loosely based on garden city principles, the radical step here was to separate motor vehicles from pedestrians, leaving the main roads completely clear for cars. Homes were organised in cul-de-sacs facing each other, organised into neighbourhood 'blocks' with their backs facing the roads. This style of layout is very evident in most of the new towns.

The first wave of the late forties and early fifties was mainlybuilt around London – Stevenage, Hemel Hempstead and Welwyn/Hatfield in Hertfordshire, Basildon and Harlow in Essex, and Bracknell in Berkshire. There were some examples elsewhere – notably Peterlee/Newton Aycliffe in Country Durham and Corby in Northamptonshire – as well as three in Scotland: East Kilbride, Glenrothes and Cumbernauld.

The main 'regional' wave, though, occurred with Conservative Prime Minister Harold Macmillan's decision to create five New Towns, to cater for 'overspill' from the big cities outside London – part of his government's wider focus on increasing housing numbers. These were creatures of the early 1960s and included Redditch and Dawley (later Telford) near Birmingham, Skelmersdale near Manchester, Runcorn near Liverpool, Washington in the North East and Livingston in the Scottish Central Belt.

The final and arguably the most successful wave came after the South East Report of 1964 suggested more – and somewhat larger - New Towns slightly further from London to cater for increasing housing need. Stansted, Ashford in Kent, Southampton/Portsmouth, the area around Bletchley in Buckinghamshire, and Newbury in Berkshire were earmarked, although in the end only Milton Keynes (Bletchley) emerged as a proper 'new town'.

However Peterborough and Northampton were included too as expanded towns, alongside Warrington and Central Lancashire (effectively Preston, Leyland and Chorley). The population increases seen here were closer to 250,000 rather than the 80,000-100,000 seen in the earlier new towns (let alone the 25,000 limit Howard wanted for a garden city). This final wave began in the late sixties and continued into the seventies.

SO WHAT DOES THIS ALL TELL US ABOUT WHAT MIGHT BE POSSIBLE AND DESIRABLE THIS TIME?

1) THE ORIGINAL NEW TOWNS WERE NOT THAT SIGNIFICANT A CONTRIBUTOR TO HOUSING NUMBERS – IF THEY ARE REALLY TO MAKE A DIFFERENCE THE PROGRAMME WILL NEED TO BE MUCH BIGGER

The original New Towns loom larger in the post-war narrative around housing and planning than they deserve based on number alone. According to a United Nations report from 1973, housing starts in New Towns had constituted only about 2.5% of total housing delivery – although for affordable housing the figure was somewhat higher at 5%.

A recent report from Centre for Cities puts the figure at 3.3% over the forty years since the original act. The difference may be because, as it says, the rate of building was highest in the 1970s at around 5% of the total, perhaps reflecting the particular success of Milton Keynes, the last New Town.

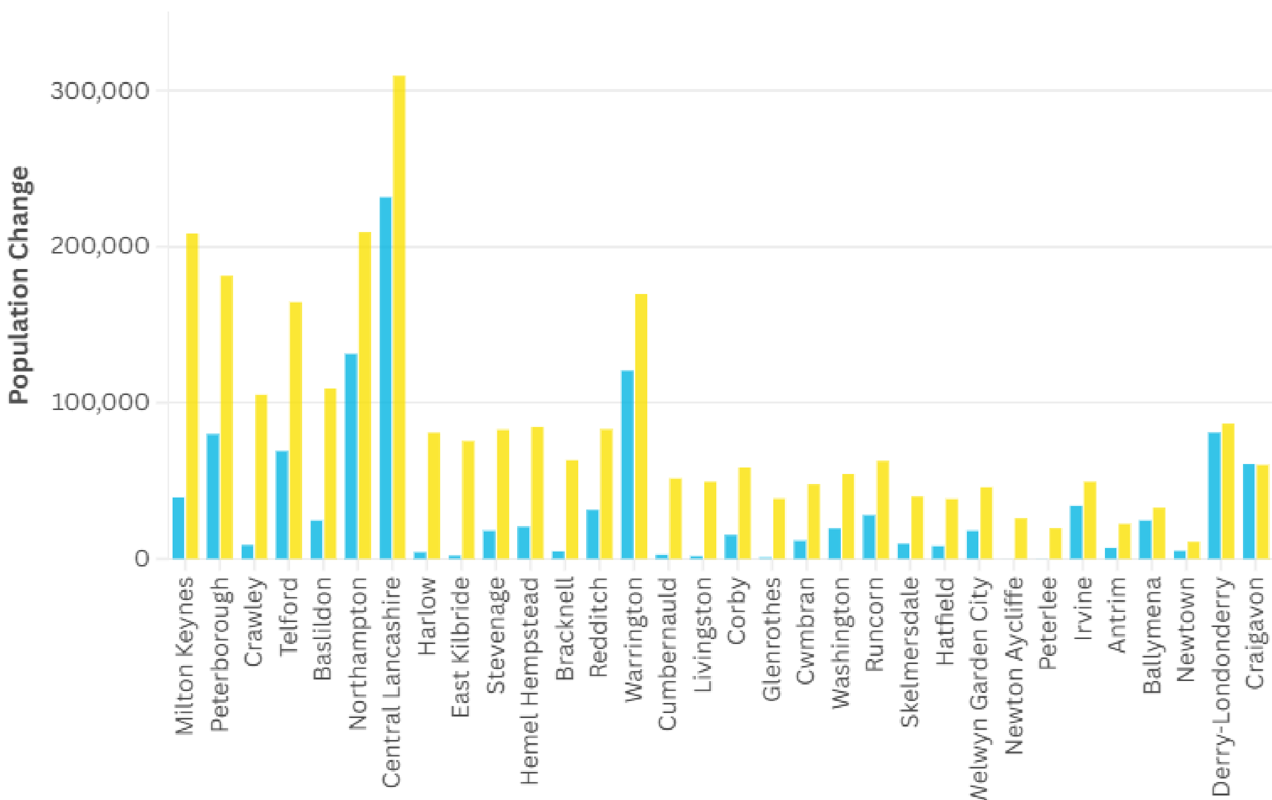
Another way of looking at this is via population. The UK population grew by 14.3m between 1946 – when the first new town was approved – and 2011, while the figure for the designated new towns was 1.6m. By this measure, about 11% of the increase in population was accounted for by New Towns.

This is more flattering, perhaps a result of the disproportionate number of families attracted to the settlements. But nevertheless, this still means that 89% of the growth in population was accommodated more organically in existing areas.

Given these relatively low figures, it might be worth returning to the question asked by that same UN report in 1973: Given the effort and finance put into the New Towns, what was being done to improve planning and conditions in the communities in which 97.5% of housing starts were located?

Centre for Cities, meanwhile, noted that to make a meaningful contribution to supply, the wave of New Towns now being announced would need to be much larger than anything seen in the 1950s, 1960s or 1970s

UK NEW TOWN, RANKED BY POPULATION CHANGE



2) MAKING THEM A MORE SIGNIFICANT DRIVER OF HOUSING DELIVERY WILL BE DIFFICULT - IF PERHAPS NOT AS HARD AS ELSEWHERE

If the policy is to be successful, then, it will have to lead to towns being built faster and at a larger scale than in the 50s or 60s.

The reaction to the first ever New Town – Stevenage in Hertfordshire– gives an indication of the opposition the government will have to overcome. There were demonstrations and petitions, and the local MP was vocally opposed.

When planning and housing minister Lewis Silkin visited, residents erected an enormous sign on the station saying "Silkingrad" – implying that the top-down plans were somehow Soviet in style. He responded to residents' protests by saying: "It's no good you jeering. It's going to be done." That didn't stop his tyres from being deflated and sand being put in its petrol tank.

THIS FILM CLIP FROM THE ERA GIVES A FLAVOUR OF WHAT WAS HAPPENING: CLICK HERE

General opposition to development has, of course, substantially increased since then. Building new towns at anything like the scale required to make a difference will mean the government will have to face down a lot of very vocal anti-development campaigns.

3) URBAN EXTENSIONS ARE PROBABLY MORE DESIRABLE THAN DISCRETE SETTLEMENTS

The policy context – and the attractions of city and town centres - have changed considerably since the first half of the twentieth century. We have a greater understanding of the importance of cities and economic agglomeration. We no longer think of them as congested places, whose populations needs spreading out. Any desire to 'escape the city' is as likely to be due to high house prices as a desire for the quiet life. Indeed many think tanks would argue that our cities' economic problems are because they aren't dense enough; they need to be allowed to grow both upward and outward. That way, the 'agglomeration benefits' are maximised.

Furthermore, the idea of the original new towns was for them to be economically self-sufficient. However, most of them have turned into commuter settlements, with people usually travelling quite a long distance to London or other centres. So why build them further away rather than on the edge of cities, which is theory should provide for more economically and environmentally sustainable commutes?

Part of the reason governments have always liked the idea of discrete new towns is that despite the likely opposition it might actually be easier to cope with than if more homes were built in the most obvious places. That's for the simple reason that there are just fewer people already living in areas that are slightly more remote from cites. So, it's politically expediency not economic desirability that is driving some of the agenda.

To be fair, the government has made it clear that some of the so-called 'new towns' will actually be urban extensions. But it might be better if most of them were. The exception might be a location is where good quality infrastructure, such as main line railway stations, already exists but homes are few are far between, or where it could fund much-needed new transport links.

There are some exceptions, but as demonstrated in Montagu Evans' recent report, Future Shock: The Coming Wave of Office Obsolescence, there's been a tendency for jobs to concentrate more in cities over the past few decades- places like London, Manchester, Cambridge, Bristol and Edinburgh. The best way to provide good-quality housing within reach of those jobs is where transport infrastructure already exists – or can easily be extended or newly built.

HAS CALCULATED THAT BUILDING AT REASONABLE DENSITY WITHIN WALKING DISTANCE OF RAILWAY STATIONS ON THE GREEN BELT – WHETHER BROWNFIELD OR NOT – COULD PRODUCE AROUND 2.1M NEW HOMES, A 10% INCREASE IN THE HOUSING STOCK. THIS WOULD ALSO USE JUST 1.8% OF THE GREEN BELT.

The problem, though, is that a lot of people live in these areas already – or rather, on the edge of the city nearby. They've moved there, presumably, to be on the edge of the built-up area and near the countryside, and really don't like the idea of their area becoming more urban. So there is even more potential for vocal and sustained opposition to development.

So even if New Towns are likely to result in opposition, it may be a less difficult (if still not easy) route to mass housing delivery – even if the most economically and environmentally sustainable locations are elsewhere.

4) IF WE MUST BUILD DISCRETE NEW SETTLEMENTS AWAY FROM THE MAIN CENTRES, MAKE THEM LARGER THAN THE EARLY NEW TOWNS

Our view of cities has changed a lot since Ebenezer Howard's time. They were then thought of, in the UK at least, as the source of all evil. Today, we know that 'agglomerations' have all sorts of benefits to businesses, to individuals, and particularly for the way ideas and businesses come together.

THIS IS WHY CITIES ARE MORE PRODUCTIVE THAN SMALL TOWNS AND WHY BIG CITIES ARE USUALLY MORE PRODUCTIVE THAN SMALLER CITIES.

This is very evident in some recent trendsin the UK. Small towns have lost their employment base and have often been most hit by retail vacancy issues. The UK already has a relatively high concentration of small towns by international standards – indeed the proximity of so many retail centres to each other may explain vacancy issues – and arguably this means we lose out on some of those agglomeration benefits. Together with the relatively low density and poor accessibility of many of our cities, this may explain part of the UK's problem of low productivity.

It's worth noting that the most successful of the new towns – Milton Keynes – was also the largest, in fact more a new city than a new town. And some of the problems of the first wave of new towns may be related to the fact that they were, in fact, too small. Even as commuter towns, they were possibly too small to provide sufficient services to be truly vibrant. So it might be better to opt for a smaller number of bigger settlements.

5) THE NEW SETTLEMENTS SHOULD HAVE A WIDER RANGE OF HOUSING TYPES

The other issue in the New Towns, large and small, is the relatively uniform nature of much of their housing stock. While they were successful at providing good quality homes in well-planned, suburban environments that worked well for families, they were designed for a more homogeneous society with more homogeneous tastes.

SLUM CLEARANCE DISPLACED AROUND 3.7M PEOPLE BETWEEN 1955 AND 1985.

The New Towns are often associated with people moving out of the worst slums of the big cities. But this somewhat of a myth.

Over twice the number of people who would eventually live in New Towns – so even without looking at the social mix, it's obvious from the statistics that most were accommodated elsewhere.

The academic literature is clear though: the New Towns were almost entirely populated by traditional families from upper working class and lower middle class background, with skilled manual workers the largest single group. They were probably moving out of better quality terraced housing in urban settings, rather than the worst areas.

The rents charged by the Development Corporations were quite high and this precluded the poorest slum dwellers; meanwhile, the middle classes appeared to prefer living in more traditional suburban areas.

This was supported by the new factories in some of the towns, supported by cheap labour and the fact that at the time it was impossible to open or expand industrial facilities in London or Birmingham without a (rarely awarded) certificate from a minister. So the mixed communities aimed for at the onset of the programme failed to come to fruition, and indeed as industrial employment has decreased they have become less self-contained.

The mix of the original settlements has changed a little through more conventional development and infill, but their original housing stock was highly skewed to semi-detached houses and short terraces, all in a recognisable post-war style. Flats – apart from in the Scottish New Towns and a few other locations such as Harlow, which saw the first residential tower block in the country – were few and far between (although maisonettes were rather more common).

This reflects the social status of the early residents, the fact that the overwhelming majority of new town residents were families with children, and in some cases what was viable for the social housing that made up a significant percentage of the original New Towns. In 1960, the average household size in England was 3.1; today it is 2.4. This reflects a larger number of single people and childless couples, as well as more elderly people living alone or in pairs.
They will also need to build in a range of tenures other than just social rent and owner-occupation, notably build-to-rent and senior living.

FOR NEW TOWNS TO BE SUCCESSFUL TODAY THEY WILL NEED TO PROVIDE A WIDER RANGE OF HOUSING TYPES – FLATS AND TRADITIONAL TERRACES IN THE CENTRE, AND DETACHED HOUSES FURTHER OUT.

This is for various reasons: firstly, as explained above the demand profile is much more varied than when the original new towns were built; secondly, many groups will not be able to access mortgage finance immediately so a wider range of possibilities will need to be provided.

If the government tries to rely on mortgage-backed owner-occupier purchases, the build-out rate is likely to be relatively low, as the number of potential buyers who can access finance in a given area and time will be limited. Mortgage providers may also be concerned about concentration risk (which, given the relatively dispersed nature of housebuilding in recent years, has not been a recent issue). And while social housing may be able to play a significant role given recent budget increases, it won't solve this problem.

So new towns will need social housing, for-sale private housing and build-to-rent and senior living of various types. Indeed, they could offer the scale of investment in the Private Rented Sector that so many funds are looking for.

6) THE NEW SETTLEMENTS NEED DENSER CORES

In the 1950s and 1960s, the emphasis was on providing relatively low-density homes in neighbourhoods orientated around the car. This meant that the population density of the core areas was not only lower than cities – it was lower than in many traditional towns of a similar size.

Taking the example of Sussex. In the first generation New Town of Crawley, the highest population density for a census output area in its core is a little over 8,000 people per hectare, with 5,000 or so being more typical. In contrast, in the older towns of Chichester and Lewes, some core areas have population densities of 9,000 or more, with plenty of central Brighton & Hove at densities of 20,000 or more. (To put this in context, the New Town densities were deemed to be too high by some at the time; Robin Best, of the Town and Country Planning Association (TCPA) is quoted in the 60s as complaining that the densities of the new towns should have been lower).

It's easy to see why that happened – household structures were more conventional and uniform at time, and there was a belief, anchored in the poor health of urban dwellers, than cities were basically bad for you (few pointed to the fact that many continental cities were built at higher densities than British ones but had better health statistics). And at the time, everyone thought commuting by car was desirable or at least unavoidable. (There were often good cycle routes in the new towns, away from the roads, but it's questionable how much these were used for commuting).

This template also explains the popularity of the pedestrianised shopping precinct, which took pride of place at the heart of many of the new towns. These were popular at the time but are now struggling with their layout and tired fabric and, often, a high retail vacancy than the national average. It's notable that Milton Keynes has a more successful retail offer, which again may come back to its larger size.

The low density means that there are fewer people within walking distance than many town centres; that, if commuting, people tend to drive to the railway station rather than walking or taking public transport; and that public transport may be difficult to run because of the relatively spread out nature of the settlements.

A 'density gradient – with higher density flats around the rail station and the retail/leisure core, followed by smaller housing in the next ring, and family housing further afield – would solve many of these problems. Far more people could walk to the railway station or the town centre, and it would help to provide a more vibrant town centre, especially if (as outlined above) the towns are larger.

IT'S WORTH NOTING THAT IN SOME EXISTING NEW TOWNS DENSIFICATION ATTEMPTS HAVE NOT ALWAYS BEEN POPULAR. IN MILTON KEYNES, FOR EXAMPLE, THERE WAS SOME OPPOSITION THROUGH THE 'URBAN EDEN' GROUP WHICH WANTED TO RETAIN MANY OF THE FEATURES OF THE ORIGINAL MASTERPLAN AND RESIST ATTEMPTS TO COPY WHAT IT CALLED "OVERCROWDED, USER-UNFRIENDLY" CITIES ELSEWHERE.

LAND WILL REMAIN AN ISSUE

Ebenezer Howard's Garden Cities were not just about layout, design and health. They came at a time when land reform – and land values – were at the heart of political debate.

THE POST-WAR LABOUR GOVERNMENT NATIONALISED DEVELOPMENT RIGHTS (CREATING THE MODERN PLANNING SYSTEM) AND INTRODUCED A 100% "BETTERMENT" TAX ON THE DIFFERENCE BETWEEN EXISTING AND DEVELOPMENT USE VALUES. THE END RESULT WAS THAT LANDOWNERS SIMPLY DIDN'T SELL.

This continued for much of the early part of the 20th century.

This was revoked by the Conservatives in the 1950s but the debate around 'development gain', what is a reasonable amount for the state to take, and how this should be done rolled on, even if it was not so much of a political hot potato. Debates around section 106, affordable housing provision and the community infrastructure levy are the modern incarnation.

The New Towns, however, took a different approach. The New Towns Act enabled government to earmark sites for development and acquire them at agricultural use value. Sometimes these were built out by the state; in later cases plots were sold off with planning consent to developers. The difference in value could be used to fund affordable housing, community facilities and infrastructure.

This approach was, needless to say, controversial among landowners, and successive legal challenges – and shifts of government – led to a the 1961 Land Compensation Act. This introduced 'hope value' in the 1961 Land Compensation Act, which stipulated that landowners were to be reimbursed not just for the value of their land at present (EUV) but also for its potential value for a conceivable and practicable alternative use.

This has enabled landowners subject to CPOs to apply for a "Certificate of Appropriate Alternative Development" indicating what alternative uses may be available, enabling this 'hope value' to be priced. This made New Towns more difficult to achieve, and in any case under the far more laissez-faire approach of the Thatcher Government in 1979 they became completely anathema. New communities, where they were developed, were private sector-led, typified by Bradley Stoke near Bristol. Even under New Labour, which introduced the very New Town-like Ecotowns policy, saw them as being developed on land already owned by the public sector.

SO WHERE TO NOW?

The previous government, through Michael Gove's Levelling Up Act, has already watered down the 1961 Act, allowing hope value to be removed in certain circumstances. These include "the provision of housing, development or regeneration schemes where they include public sector led affordable and social housing, health or education uses, and are justified in the public interest." The bodies permitted to buy land in this way includes Local Authorities, Homes England and Development Corporations.

Labour promised further reform its manifesto, and the first King's Speech pointed to this being contained in a Planning and Infrastructure Bill to be published next year. It is worth noting that none of the new powers available to the likes of Homes England have yet been used, so it will be interesting to see whether the changes will make any difference, or whether the processes remain too controversial, time-consuming and expensive to be used.

The 'infrastructure' section will also be interesting. One of the problems with Labour's previous ecotowns initiative, and indeed the idea of 'grey belt', is that it is not necessarily near existing rail or road links or economically vibrant parts of the country.

The industry will be awaiting the pronouncements from the New Towns Taskforce. It remains to be seen whether – as with Labour's ecotowns – it will choose sites based on political expediency and public land availability rather than economic and environmental sustainability. What is needed is new homes where there is housing demand, where there is (or can be) infrastructure, and away from treasured landscapes. Surprisingly, there are plenty of sites like that – if the government can face down the opposition. New Towns, though, may not be as central to unlocking the housing supply conundrum as the Government thinks.

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