LAYING THE GROUND FOR NEW TOWNS

INGREDIENTS FOR SUCCESS

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This Year's report on Laying the Ground for New Towns focuses on what the critical success factors might be. This exploration around building great places has been central to The King's Foundation's mission for the last 35 years and has been a journey of discovery. What keeps us going, when battling against the tide, is the undeniable evidence that there aren't very many good examples of New Towns built in the last 100 years. So while, as a society, we may have got better at putting up buildings, it doesn't appear as if we have got better at building places. We therefore must question why that is?

One element which His Majesty focussed on in his book on Harmony, is that the world has become increasingly fragmented, zoned and specialised. This has undoubtedly led to many advances in areas such as the sciences but has perhaps not helped in building great towns and cities. A town, like the human body, is a complex organism, of connected and carefully balanced parts that work together as a whole. If each part is zoned and doesn't take account of the other parts, then the organism doesn't function properly and often creates tensions and discordant relationships.

In a harmonious system, the whole is greater than the sum of the parts, and in a town that means they contain all the functional elements needed for people to carry out their lives but are assembled to create public space which unites citizens as social beings. Towns and cities are therefore central to democracy where our collective life as citizens is better and more fulfilling than each individual life in isolation.

We hope landowners, and all of those engaged in trying to build great places, will take inspiration from what is being achieved by members of our network from around the world and find the essential ingredients that have been laid out in this report, useful. Town building is indeed a collective endeavour and if we stay connected with resolve towards a common purpose we will build the next generation of new places which future generations will cherish.

Kristina Murrin,

CEO, The King's Foundation

Kristina Murrin

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“Tear down the suburbs to rebuild the city.”

PHILIPPE PEMEZEC, MAYOR OF LE PLESSIS-ROBINSON

When I was elected mayor of Le Plessis-Robinson in 1989, I was struck by the fact that this Parisian suburb of 21,000 residents—with 73% social housing—did not exist as a true town. It had no centre, 80% of the population shopped elsewhere, it had no urban identity, and many residents would say, “I live next to Sceaux…” It was the prototype of the suburban commune—literally a “ban-lieue,” banished from the city and from everything noble that a city represents: its vibrancy, its wealth, its architectural form built over centuries since the Middle Ages. Beyond that, it offered an urban landscape reminiscent of post-war Warsaw or East German cities: dilapidated garden estates, dark colors and peeling walls, soulless rectilinear buildings.

So we set out to give it an identity. And we had historical material to work with—a name tied to two contemporary myths: Le Plessis-Robinson, where the musketeer d’Artagnan was once Lord of the Manor, and Robinson, linked to the character Robinson Crusoe, who inspired the famous guinguettes (open-air cafés) that shaped the town’s history between 1848 and 1948. We began with street and school names: honouring figures connected to the town (d’Artagnan, Hachette), and reviving the charming names of old guinguettes (Rue du Pot qui Mousse, Rue du Grand Saint-Eloi), in place of names honouring Communist Party officials.

© Plessis-Robinson Town Hall

A Town Centre

We also worked to give it a centre. On a vacant lot and an old stadium, at the foot of the medieval bell tower and d'Artagnan's château—now the Town Hall—at the historic and geographic heart of the commune, François Spoerry designed a "Cœur de Ville" (Heart of the Town). A centre inspired by the principles of gentle architecture: traditional urban forms, local materials like stone, brick, and slate, balanced density, urban diversity, ground-floor shops—a real town as it might have developed had the suburbs not overtaken it in the mid-20th century.

This was the starting point for an urban model we developed over thirty years, gradually demolishing and rebuilding the suburban neighbourhoods of the 20th century: dilapidated garden estates, large housing blocks of towers and slabs. Today, one-third of the commune has been rebuilt; in twenty years, it will be two-thirds, with the final third being the residential single-family home district we aim to preserve.

A Virtuous Economic Model

The economic model is simple, yet rarely applied in French suburbs, where over €15 billion in public funds have been spent over twenty years through the ANRU (National Urban Renewal Agency) program launched in 2003. The main flaw of ANRU, despite its good intentions, is that it reinforces the suburb instead of transforming it.

Our model is the opposite, and I was able to implement it thanks to the Hauts-de-Seine Department, led by Charles Pasqua, and the Ministers of Urban Affairs, Éric Raoult and Jean-Louis Borloo, who agreed to make Le Plessis-Robinson a pilot city for urban renewal. For thirty years, the commune has freed up or purchased available land and sold building rights to developers, with two key requirements: include social diversity in projects to break up urban ghettos, and respect traditional architecture to offer beauty to all residents and transform the town's image. Increased density generates significant capital gains that fund roads and public facilities. The population growth (+40% in thirty years) expands the tax base, especially with the arrival of professionals and middle-class workers who provide financial stability to a commune that was on the brink of bankruptcy in 1989.

Thus, while maintaining the same number of social housing units, Le Plessis-Robinson has grown from 21,000 to 30,000 residents in thirty years, reduced its social housing share from 73% to 35%, increased homeownership from 15% to 50%, raised the proportion of professionals from 17.8% in 1990 to 40.8% in 2020, and lowered its poverty rate to 6%—one of the ten lowest in France among towns with over 10,000 residents.

The model is virtuous: instead of consuming public money, it generates wealth that benefits all layers of the population. Of the 5,500 social housing units, 10% have been sold to tenants at roughly 30% below market value, allowing families to become homeowners and begin a residential journey, while enabling social housing providers to replenish their finances and launch new projects.

A Sustainable Model

The model is sustainable in two key ways:
First, because traditional construction doesn't cost more than modern construction, but it has a lower rate of obsolescence. This is clearly shown by comparing the modern garden city of Alluin-Mauduit with the classical Bois des Vallées by Marc and Nada Breitman—both built in 1995—with striking differences in durability and appeal.

Second, because experience shows that people respect their living environment more when it is beautiful—and even more so when they own it. When I was elected mayor, I immediately created an anti-graffiti brigade that intervened as soon as any markings appeared on walls, whether public or private. Today, the brigade still exists, but it rarely needs to act—because beauty is respected.

Civic-mindedness grows in a virtuous cycle. Why is the city clean? Because citizens take ownership of public space, and because municipal services relentlessly track down litter and dog waste. People are more likely to respect public space when it is clean.

The same goes for flowers. Le Plessis-Robinson is one of the most beautifully flowered towns in France (it even won the European first prize in 2005), thanks to a skilled and creative team of municipal gardeners. But also thanks to hundreds of households who decorate their balconies, terraces, or gardens—not just for their own pleasure, but to contribute to a collective beautification effort that is rewarded annually. Le Plessis-Robinson is also one of the safest towns in France. Thanks to its green spaces, gentle architecture, soothing colours, open neighbourhoods without dead ends, and fully embraced street lighting. And thanks to a well-equipped municipal police force—armed, highly visible, operating 24/7—effective in prevention, deterrence, and intervention.

This entire framework makes residents proud and happy to live in Le Plessis-Robinson. We've implemented a monthly satisfaction barometer, which consistently shows that nearly 95% of residents recommend their town to others. That's the clearest sign that the transformation has succeeded and that pride has taken root.


© Plessis-Robinson Town Hall


© Plessis-Robinson Town Hall

Of course, the model's sustainability is tied to the context of the Paris region. Just 8 km from the capital, Le Plessis-Robinson is in a high-demand housing zone, with a need for 70,000 new homes annually in Île-de-France. But the high cost of land in southern Hauts-de-Seine—though nearly half the Paris average—is still a barrier to project development, especially during the real estate crisis France has faced for the past three years. Developers are increasingly turning to bulk sales, which undermines the strong identity strategy we've pursued for thirty years. We don't want transient or random residents; we prefer to welcome citizens who choose Le Plessis-Robinson, who integrate into its history, traditions, and culture, and who want to build a residential path here.

That's why the city is increasingly developing PSLA (social loan-to-own programs), especially suited to households in the intermediate housing category—those with incomes too high for social housing but too limited to buy freely so close to Paris. The ideal balance for a town like ours would be: one-third social housing (which we have), one-third intermediate (we're working on it), and one-third market-rate housing.

Vision and Authority

To lead such a policy, a mayor must have vision and demonstrate authority. Vision is essential to design a city with coherence in choices and urban aesthetics. I'm well aware that beauty is subjective, but there is a universal appreciation of beauty that no one can deny: visitors prefer strolling through the centre of Rome or Paris over the outskirts of Liverpool or the suburbs of Düsseldorf.

I often quote the late Léon Krier, who chaired the first Congress of Urban Renaissance Mayors in Le Plessis-Robinson last February:

"Architecture must appeal to everyone—of all classes, races, languages, and origins. Otherwise, it's not beautiful."

Choosing traditional architecture allows us to design a city in harmony with European urban history, rather than breaking with classical urban forms. I don't deny the occasional interest of a modernist building here or there, but it's often just an object placed on a dresser—disconnected from the urban fabric.

As my friend, architect Marc Breitman, said at the same Congress:

"Whether architecture is medieval, classical, baroque, or even art deco, it all shares the same roots. The post-war tabula rasa destroyed this common language, introduced chaos in favour of individual architectural gestures and industrial interests, shamelessly erasing our shared heritage: the city."

The role of a mayor is not to leave a personal mark in history by allowing a trendy modernist architect to make a statement in their town, but to redraw the city by extending or recreating the urban fabric inherited from the depths of European civilization.

I share the view of architect Xavier Bohl, spiritual heir to François Spoerry, who inspired Le Plessis-Robinson's urban renaissance:

"Drawing inspiration from a place—tapping into its roots, into architecture as it was practiced for centuries—is a guarantee of sustainability. It's a way to project into the future, with all the constraints of modern construction and the rules imposed on us."

An Unrelenting Struggle

But it's a struggle—one I became fully aware of back in the 1990s when it came time to rebuild the garden city and its 2,000 housing units. Given the ideas I was defending, the architect Joseph Belmont, who represented the State, told me: "Your classical project—your residents will love it. But it's everything I've learned to hate." In the end, I managed to win that battle, but the fight against government agencies and state administrations is relentless. The MRAE (Regional Environmental Authority Mission) and the Water Police are the two nightmares for a mayor like

me—with their nitpicking regulations, unworkable standards, public inquiries, and impact studies. In France, over the past thirty years, the time it takes to complete an urban project has doubled, representing a massive cost for municipalities and real estate stakeholders—not to mention the skyrocketing demand for housing.

If a mayor lacks a clear vision for their city, they'll be unable to stand up to these technocratic structures—or to developers and builders—and the urban form will gradually unravel, shaped by the whims of architects who treat the suburbs as a playground for experimentation. I've said it since I was first elected: An architect who designs a project should be legally required to live in it for a while. I'm convinced they wouldn't design the same thing.

That's exactly what I told Roland Castro when he burst into my office as a young mayor, championing the garden city he'd admired from a plane alongside President Mitterrand: "No problem, Roland—I'll reserve two four-room apartments: one for you, one for Mitterrand." And he replied: "You're right—we should tear it all down!"

Because the ultimate goal—too often forgotten—is the happiness of the residents. It's for them that we build the city. I know what I want for our town, but I stay in constant contact with the people. I listen, I engage in dialogue, I adapt based on their feelings and expectations for their city.

The word politics comes from the Greek politikos, meaning "related to the city." In ancient Greece, the polis was the fundamental political and social unit. That's what I aim to recreate in Le Plessis-Robinson—to offer its residents a kind of ideal city.

The Essential Ingredients for Building New Towns

BEN BOLGAR, THE KING'S FOUNDATION

The term 'New Towns', to most people would conjure up images of Harlow (1947) and Milton Keynes (1967) which, building on the Garden Cities before them, were based on a series of relatively coherent principles; strong transport links, green networks, zoning of uses, a strong vision and a special purpose vehicle to fund infrastructure and reinvest in the civic elements of place. These towns were also built in the long shadow of the industrial revolution and the advent of the motor car, both of which gave rise to the planning theory of functional zoning. Zoning is where the various uses of a town, namely residential zones, commercial zones, industrial zones and agricultural zones along with special zones for schools, hospitals and civic spaces are separated to avoid conflict.

This planning theory was designed to improve quality of life and human health but is now fundamentally challenged, and outdated, by cleaner industries that can sit happily next to homes and by the unintended consequences of prioritising cars over pedestrians. While the introduction of the Town and Country Planning Act 1947 abolished the nascent zoning system in favour of discretionary planning, the common practice of segregating uses continues to this day.

This is the opposite of 'integrated' planning and 'place building' where the centre of the community is the point of maximum confluence for movement, the economy and social activity and therefore the point of maximum conflict and risk. This central square or historical High Street, with the civic buildings, school, shops and workplaces is also the place where most of the services run and the place in a community that typically lasts for the longest. Take Lincoln's main street, Steep Hill, for example which connected the lower city to the Roman legionary fortress in the 1st century AD and was an important staging post and subsequent ecclesiastical route from London to York. It is still there as the city's main spine which would have developed into a high street in medieval times when markets and fairs were held on main thoroughfares and started formalising into shops in the 17th century.

Steep Hill, Lincoln © LNDBolger Photography

These primary arterial routes of a town connect one to another as directly as possible and while the buildings, uses and fashions come and go, the spine will remain - in the case of Lincoln, for 2,000 years. And this is not unique to Lincoln with around one third of UK cities being of Roman origin and of similar structure. If the main street of a town or city is so important, both as a regional 'through route' and a civic 'to route', and has the potential to last such a long time, then why are most new settlements in the UK built by companies with yearly investment cycles, who struggle to give a long-term social and economic value to the most important element of a place? At least both Harlow and Milton Keynes have centres of sorts, but focussing on the car has created segregated spatial solutions with the former rather isolated and latter not scaled to walking.

It is perhaps no wonder that when you look at the results of 'best places to live in the UK' and 'top rated towns' you find places like Saffron Walden in Essex (the Sunday Times best place to live 2025) with the reasons being, 'historic charm, excellent schools, community pride and a vibrant high street with independent shops'. And the reason why high streets with a range of independent shops are cherished is because they are the heart of the community for social interaction, they have a local identity which fosters civic pride, they are walkable and provide economic opportunity. So, if they are so valued in social and economic terms and they are the most efficient physically, in being the place where everything is integrated, then why don't we muster up the evidence and the economic case to build them any more?

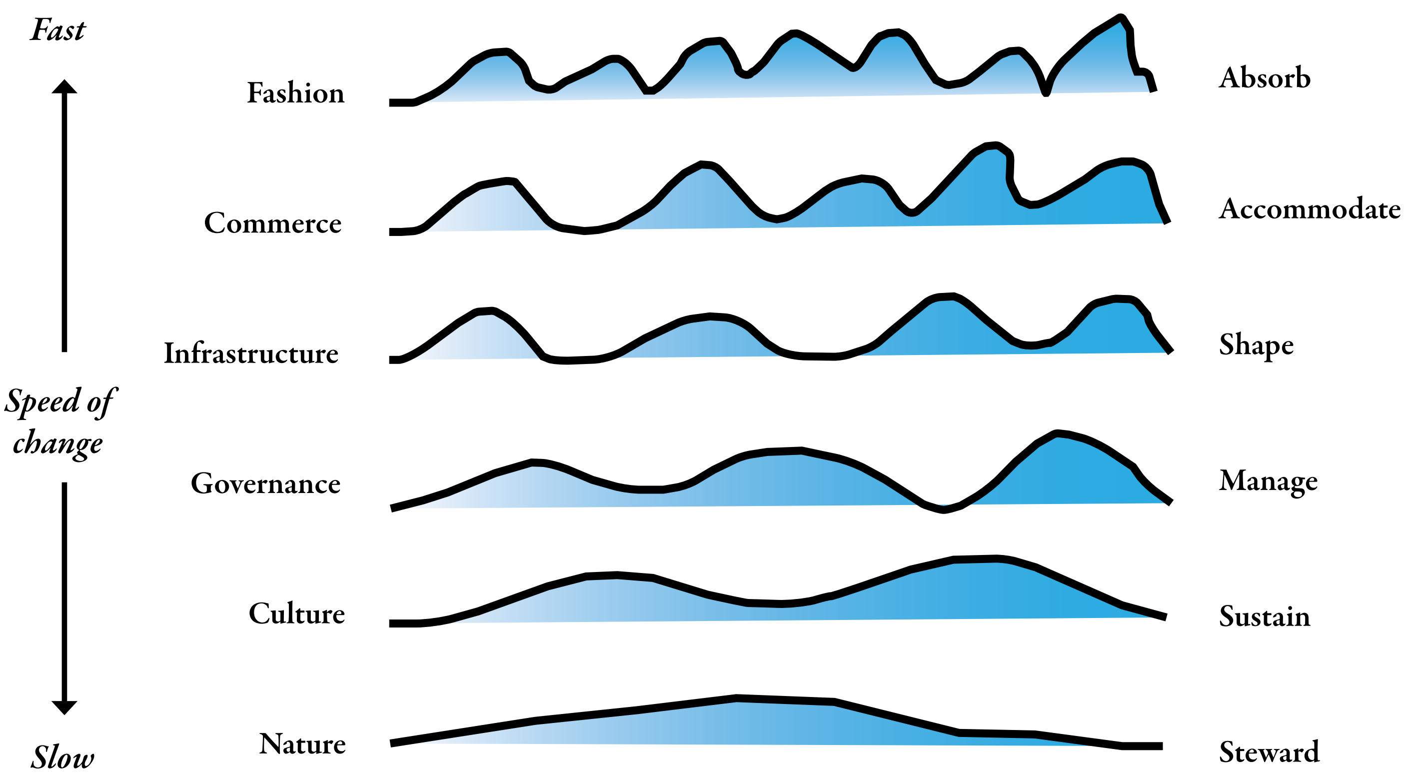
Saffron Walden Town Centre © Stephen Richard McAdam

Aerial view of Milton Keynes © Alexey Fedorenko

Perhaps there is hope as down in Newquay the Duchy of Cornwall has just commenced piling for the new town centre and high street for Nansledan, one of very few to be built in the last 100 years. This is a brave move when so many historic high streets are struggling, but it will likely be filled by a range of smaller independent businesses occupying affordable premises, thereby allowing people to make and sell what they love. This will not purely be a place of retail but a place of leisure and where the community in this new town will bump into one another. It also happens to be the major strategic route from the airport to Newquay. It therefore benefits Cornwall Council in getting people around the county and country and benefits the local businesses through passing trade which in turn benefits the residents who have a vibrant centre where they can get their daily needs and meet one another.

Proposals of Nansledan Local Centre © Duchy of Cornwall

RATES OF CHANGE IN TOWNS AND CITIES



What appears to have happened in more recent times is that those elements of the town that have a [greater overall value] in social and economic terms have become mixed up with the other elements, such as homes, that have individual value rather than collective societal value. To make civic places again we need to unpick this confusion and value these components accordingly, allocating the quantum of funding that truly recognises the wider civic value and is on an investment cycle appropriate to its rate of change. In the current [prevalent housebuilding model] volume builders have become land speculators and asking them to also build the civic infrastructure within their business model doesn't recognise the phasing of value that is created during the construction process and through the life of the place thereafter.

Although The King's Foundation can't lay claim to designing any settlement specifically labelled as a New Town we have been involved in many plans for settlements ranging in scale from 2,000 to 7,000 homes which would classify as small towns.

During that 35-year period we have also seen those settlements delivered by different players, from long term landowners, the public sector and volume housebuilders. While the planning principles, documentation and regulations have all been remarkably similar the outcomes of each have been completely different, exposing the inherent weaknesses of the planning system vs. the control of land ownership.

As these developments are built out and the differences becomes more apparent, this will merit more detailed research and publication but, in the meantime, here are some lessons learned which will hopefully be useful for Legacy landowners and their teams. These observations are focused on factors which sit above the planning and design theory and are essential ingredients that when taken away, or even diluted, are like removing blocks out of a Jenga tower, making the difference between success and a complete structural failure.

Essential ingredients for New Towns

1. A clear spatial strategy – developing a wider strategic framework plan and clear phasing strategy for the primary layers of water, ecology, movement, commercial centres and then housing.

2. A strong vision – creating a proactive vision and masterplan for the town with local stakeholders that is coherent and reflects the local climate and culture of its place.

3. Enduring leadership – having a leader and a team working in partnership that can see beyond short term political and investment cycles.

4. Long term funding for infrastructure – raising patient capital with associated incentives linked to the value of public services and benefits.

5. Continuous learning and refinement – embedding a regular review process where the team adjusts each phase together with feedback from the community.

Dream Cities, Real Costs: Funding the Next Generation of Garden Cities and New Towns

AMRIN GOLAM, MARIA CHOW, AND DR. DAVID HOWARD, GLOBAL CENTRE ON HEALTHCARE AND URBANISATION, UNIVERSITY OF OXFORD

Urban settlements can act as crucibles for economic development, providing the infrastructure for business growth, improving employment opportunities, social networks, and in many cases a better quality of life. Yet this culmination of people, resources and finance also has harmful impacts on our environment, and consequential rapid climate change. The focus of the following section is to assess the evidence behind methods and financial models that may enable more sustainable urban development, particularly in the context of building new towns.

While attention is placed primarily on the UK context, wider evidence of financial approaches from around the world are also considered. Reviewing cases studies and evidence from multiple, trusted data sources can help to identify, and highlight financial models that have proven to be effective. Assessing evidence at the global level, may help policy makers and governmental authorities to select new scenarios that may be most suitable to their local context.

The OECD's definition of sustainable urban development proposes cities – people, buildings, and systems - should aim to be resilient, economically sound, environmentally sustainable, and socially responsible. An effective financial model for sustainable urban development will foster economic competitiveness and innovation, manage congestion, enhance social inclusion, and be environmentally sustainable.

LEARNING FROM THE PAST

From urban planner Ebenezer Howard's 19th century vision of Garden Cities to post-WWII construction of New Towns, the UK's aspiration of creating urban spaces which balance housing, employment and green space, has a long founded history. In theory, these settlements promise an idyllic solution to increasing housing shortages and urban congestion. In practice, however, funding has proved to be a consistent challenge. Reflecting on past obstacles and adopting emerging strategies, provides a pathway to fund the next generation of sustainable urban developments.

The development of early Garden Cities like Letchworth in 1903 and Welwyn in 1920, hoped to utilise a fully self-financing model which relied on private capital and land value capture mechanisms. However, over the years, stakeholder priorities shifted away from the initial philanthropic motivations behind Garden Cities; proving this self-sustaining model difficult to maintain. Ultimately, government intervention became necessary, as seen in Welwyn Garden City, where public funding was required to build working-class housing.

New Towns, developed in response to post-WWII housing shortages (e.g. Milton Keynes), utilised a different approach, depending mainly on centralised, government funding. However, large initial investments and slow early returns led to significant debt in their early years. Furthermore, reliance on government funding made these projects vulnerable to shifting political priorities. This has been the case since 2010, with austerity measures constraining government support in financing large-scale developments.

LOOKING BEYOND THE UK

The following section highlights four examples of urban projects: infrastructure in Zurich (Europe); transportation in Manila (Asia); local services in Kibera (Africa), and revitalisation of the built environment in Philadelphia (North America). The broad geographical spread of these case studies illustrates the range of financial policies adopted across diverse contexts.

INFRASTRUCTURE: THE SIHLCITY MEGA PROJECT, ZURICH

Financial Models: investment pooling, risk diversification, risk asset management

Sihlcity is a multifunctional urban complex in Zurich, Switzerland, developed on a former industrial brownfield site. The project was financed and owned by financial actors, with planning beginning from the 1980s, and construction initiated in the early 2000s. The total cost of the Sihlcity Megaproject was CHF 600 million. Collaborative planning between local private development companies (Karl Steiner) and municipal authorities (City of Zurich) meant that the City of Zurich was able to implement their sustainable development strategy with enormous private sector backing.

Using a local development company minimised costs. Political and administrative authorities implemented certain requirements, such as the developer must use the services of a renowned architect and that their project had to contribute to the city's functionality and sustainable development. This forced the developer to focus on sustainable transport options , maintaining its economic viability and financial profitability, and taking active responsibility to push to speed up the transport planning. They also played a significant role in influencing people to use collective transport, reducing traffic congestion. The City of Zurich also acted as a mediator between all actors, reinforcing the benefits of a multi-stakeholder approach to finance.

Although the outcomes meant a reduction in traffic congestion, and a boost to Zurich's economy, there were legal disputes between the municipal authority and private development company before the project began. The City of Zurich argued that the local development company should not build an office district in the proposed location, but after a legal dispute they were able to obtain a permit. The efficiency and motivation for the private company was, in a sense, boosted by existing specific opportunities. For example, the land to be developed was situated next to a highway, and was less than 3km from the city centre, and part of an economically successfully metropolitan area of over one million residents. The land belonged to a single owner, facilitating many aspects of development.

TRANSPORT: URBAN RAILWAY PROJECTS, MANILA

Financial Models: Public Private Partnership, Official Development Assistance, financial and government perspectives, bilateral and multilateral development banks

Three urban railway projects (LRT1, LRT2 and MRT3) in Manila were funded by private, ODA, and governmental enabling factors. PPPs are often studied in higher-income contexts, yet less so in low-income countries, which provides an important focus for this case study. In 2012, the Philippine government intervened in phase 2 of the MRT3 railway project by changing the maintenance company to a private one, leading to a deterioration of the project. Following this phase, the government then employed an ODA loan from Japan to re-orientate the project's development. Comparing this case study to the one above, there was less financial sustainability without government subsidies due to the high capital costs of infrastructure. Sihlcity constructed transportation infrastructure, yet was highly dependent on private funding. The dependability and consistency of finance sources is key to project outcome.

LOCAL SERVICES: KOUNKUEY DESIGN INITIATIVE PROJECT, KIBERA

Financial Models: PPP, ODA, financial and government perspectives, bilateral and multilateral development banks

The Kounkuey Design Initiative (KDI) is a non-profit design and community development organization founded in 2006 by a group of Harvard Graduate School of Design students. KDI partners with under-resourced communities to transform neglected spaces into Productive Public Spaces that aims to address residents' physical, social, and economic needs through participatory design processes. Opportunities for the community-led management of urban green infrastructure were stimulated.

The voice of the people was strong, and their desired projects of planting riverbanks and creating new drainage banks were able to be carried out with the aid of NGO funding. This is a clear alternative to top-down planning, like the case studies above, which may fail to address the needs of local communities.

Additionally, with the vast range of skills of different stakeholders, this means various projects can be carried out such as waste management, mitigation of floods, protection of ecology, providing public spaces, reduction of river pollution, provision of water and sanitation services, generation of incomes, and offering social initiatives. This collaboration with the informal settlement of Nairobi can bring about a nuanced understanding of the complexity of the local context.

When public financial services have limited financial abilities, NGOs may step in as a form of alternative financial assistance. However, there are a few key considerations to keep in mind. As NGOs are often international, and external agents, they sometimes lack awareness of the cultural and local context. Local activist voices have criticised NGO-led initiatives where there has been a perceived lack of community engagement.

REVITALISATION: THE REINVESTMENT FUND, PHILADELPHIA

Financial Models: Community Development Finance, smart subsidy allocation, external investors

This final case study touches on the side of economic growth that may not seem obvious at first, that wider progress in society can lead to urban decline in some industrial cities. Whilst initially contradictory, the growth of information technology and economic globalisation have led to many firms decentralising away from cities with economies based on declining manufacturing sectors. ESG, however, has been seen in recent years as a cornerstone of general business development, with sustainable urban regeneration or revitalisation offering investment opportunities. In cities with traditional industries in decline, such as Philadelphia, there has been a high demand for post-industrial functions such as land recovery, upgraded amenities, and ecological improvements for infrastructure systems.

Further factors that may influence investment potential are visual markers. Urban degradation, beyond the negative impact on human livelihoods and essential infrastructure, can serve as a negative market signal and inhibit investment. This has been reflected in terms of the 'broken window' thesis, which in terms of investment suggests a positive engagement with effectively ordered and carefully managed urban landscapes.

FINANCING TOMORROW'S TOWNS AND CITIES

The key takeaway? Funding Garden Cities and New Towns requires a multi-faceted financial strategy which addresses three core challenges: diversifying funding sources, acquiring initial capital investment, and ensuring long-term financial sustainability.

1) Diversifying Funding Sources

Although, no single stream of funding can fully replace centralised government support; the inclusion of varied funding sources such as public, private, and community-driven investments can reduce risk and ensure long-term growth. Key emerging approaches include:

- Public-Private Partnerships (PPPs): Merging private sector expertise with local government support distributes the financial risks and is therefore instrumental in urban development as seen in projects like St Katharine Docks.
- Parks Trusts & Community Funds: Trusts which are locally managed can help with the maintenance of green spaces reducing the financial strain on local authorities. Successful examples include the Milton Keynes Park Trust, which manages 5,000 acres of the city's green spaces.
- Business Improvement Districts (BIDs): Increasingly, studies are showing that BIDs

can provide a dedicated, localised stream of funding. This is independent from the government, and allows businesses to invest in local urban developments including green infrastructure. In London, BIDs have already successfully leveraged private investments for the benefit of their local community.

2) State Investment Banks

A key financial barrier in developing new towns is securing the initial capital investment needed for land acquisition and infrastructure. The establishment of a state investment bank could address this challenge, since it overcomes this initial obstacle by deploying private finance, thereby funding essential early stages such as land assembly and infrastructure. For example, the BNG bank in the Netherlands, successfully financed the initial development of the city Vathorst. A similar UK institution could provide essential initial capital for new towns and garden cities, reducing reliance on short-term, high-risk investments.

3) Cooperative Land Banks

As traditional land value capture models struggled to prevent speculation and to maintain community benefit as its primary goal, the cooperative land bank model provides a modernised self-financing model which addresses these pitfalls for future Garden City developments.

This system includes:

- *Dual Land Tenure System:* Land is collectively owned by the community, while residents and businesses hold long-term leases of buildings. Community Land Trusts (CLTs) exemplify this system, with non-profit organisations owning and managing land for the community's benefit. The Dudley Street Neighborhood CLT in Boston, for instance, owns 30 acres of land, which it leases to local businesses and affordable housing cooperatives, thereby protecting local residents from displacement.

- *Reinvestment Model:* Revenue generated from land leases is reinvested into infrastructure and public services. This approach is successfully implemented in the HafenCity project in Hamburg, where profits from land sales and leases are used to fund the city's development, including public transport and flood protection, reducing reliance on external investors.

- *Community-Driven Governance:* Residents are stakeholders of the cooperative bank, rather than external investors. This ensures that governance remains community-driven, preventing speculative land grabs and promoting continued reinvestment into local infrastructure. Although there are few direct examples of this model, community-run banks like Banco Palmas in Fortaleza, Brazil, offer a similar framework. Banco Palmas reinvests its profits into local projects, keeping capital circulating within the community rather than being extracted by external stakeholders.

The Future: A Balancing Act

Creating sustainable new towns requires carefully balancing financial resilience with social and environmental goals. The development and consequent success of these settlements depend on their ability to blend diverse funding sources and innovative financial mechanisms. This approach paves the way for thriving sustainable urban developments in the UK.

Digital finance has been proposed as an effective way of enhancing existing financial services with digital technology, often referred to as Fintech. As a democratic and inclusive financing approach, digital finance can provide a positive pathway in rural and low-income areas by enhancing access to financial services, and potentially contributing to poverty reduction. Many recurring barriers stem from information asymmetry. Whether it is this lack of contextual information that means NGOs might be disruptive in their efforts to build infrastructure, or the attractiveness of markets being hampered due to lack of information, a low-cost, robust informational structure through digital finance is highly attractive.

Digital finance can act as an enabling source for financial institutions to channel resources to green industries, and has improved financing channels for MSMEs (micro, small and medium enterprises) with differentiated services, enhancing resource allocation into desirable markets. Risk monitoring systems can be established to detect greenwashing, and provide more rigorous assessment of environmental impact and sustainability policies.

Having intense and unregulated competition can cause instability, so the effectiveness of digital finance models are dependent on effective governance at state and municipal scales. Inappropriate and excessive regulations can also dampen the development and effectiveness of such models. The issue of data security is key, and when this is insufficient or inefficient, consumers may be wary and distrust these channels. The education levels of a workforce is another key aspect of how effective digital finance can be, and the extent to which the use of utilising digital technologies can expand.


BÜRO-FÜRRER

Green Infrastructure: The Land Trust

ALAN CARTER

Green infrastructure is foundational for high-quality placemaking. To create new places that are truly resilient, liveable, healthy and future-facing, green space must be treated as an essential community amenity, in the same way as transport or utilities.

It underpins public health, climate adaptation, nature recovery, and social cohesion, and forms the connective tissue of a place: supporting walkable neighbourhoods, reducing flood risk, improving air quality and giving people daily contact with nature. When delivered well, it creates places where people and nature can thrive for generations into the future. When overlooked, it creates fragmentation and car-dependency that undermines long-term sustainability and overall community cohesion.

However, providing green infrastructure is only part of the task: its long-term value depends on how it is managed in-perpetuity. The Land Trust's Tomorrow's World report highlights how well-managed green space intersects with many of the pressing social, health and environmental challenges facing the UK over the next twenty years, and emphasises its importance in presenting a surmountable response to these challenges.

The New Towns programme accords an opportunity to put this into practice, embedding stewardship into the DNA of new places through long-term funding, high-integrity management, and community involvement. This is the very essence of 'placekeeping', the natural and logical follow on from good placemaking: ensuring that green spaces are sustainable, well-loved community assets which evolve alongside the people they serve.

From Vision to Place: The Evolving Role of Landowners as Master Developers

BEN MURPHY

The Role of the Master Developer

Evidence of the transformative potential of masterplanned, mixed-use communities such as Poundbury and Nansledan is well documented and unequivocal. By integrating a wide range of homes, jobs, and community amenities with a strong sense of place, these projects show how placemaking delivers lasting social and economic value. From Chapelton and Tornagrain in Scotland to Welborne in Hampshire, via Hatfield naturally, landowners adopting a master developer role are setting new benchmarks in placemaking across the UK.

Master development can be described as a form of land stewardship. By retaining long-term control, master developers take responsibility for planning, design and infrastructure delivery to establish a quality of place, selling serviced parcels of land to housebuilders to follow suit. This approach offers a genuine alternative to the traditional housebuilding model in the UK, creating high-quality, resilient places that will stand the test of time.

Yet, the relatively limited number of large-scale masterplanned schemes highlights the challenges: protracted planning processes and heavy upfront infrastructure costs require significant patient capital to sustain long-term projects through volatile development cycles.

The Return of Public-Private Partnerships?

Land stewardship is inherently a long game, building a legacy that generates benefits far beyond short-term economic or political cycles. Delivering infrastructure early and efficiently (including community facilities), helps establish a sense of place, adding value and building confidence amongst housebuilders, residents and businesses alike.

Historically, most of the pioneering and successful projects I can recall - from Accordia in Cambridge and Chatham Maritime in Kent to Poundbury and Nansledan via the Olympic Park in Stratford – have relied upon strong public-private partnerships to fund quality infrastructure early on.

In recent years, however, contradictory planning policies failed to support or recognise the inherent risks involved in master development which, allied to declining public sector resources, weakened this spirit of collaboration, often slowing delivery and limiting the scale of what can be achieved. Master development requires significant time and resources to plan, design and deliver high-quality places that meet local needs, and yet like the rest of the industry it found itself set against an overly burdensome, slow and unpredictable planning regime more focused on ‘holding developers to account’ than supporting meaningful investment in placemaking.

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THIS APPROACH OFFERS A GENUINE ALTERNATIVE TO THE TRADITIONAL HOUSEBUILDING MODEL IN THE UK, CREATING HIGH-QUALITY, RESILIENT PLACES THAT WILL STAND THE TEST OF TIME.

Encouragingly, more recent government announcements commit to accelerating planning and supporting investment in infrastructure, recognising some of the risks being taken by master developers and SME housebuilders in particular, and unlocking more of this 'good growth' by supporting better quality housing in more sustainable masterplanned communities.

The Fundamentals of Successful Master Development

Experience suggests that thriving masterplanned communities are built on the following fundamentals:

- A strong vision, developed and evolved with stakeholders, to secure buy-in and sustain momentum across delivery phases and economic cycles
- Masterplans rooted in place, responding to landscape form and local identity to create character and lasting value
- Committed leadership and stewardship, creates values-driven teams that prioritise quality and continuous refinement over short-term gains
- Patient Capital, having the ability to apply early investment into placemaking, accepting returns on investment will be slow to materialise
- Robust public-private partnerships, making the vision and early investment into enabling infrastructure a shared endeavour, to accelerate placemaking and support viability.

Some might add design codes and character studies to this list. They are important tools to aid public engagement, giving confidence to the masterplan process, and as a framework of rules for future alterations, uses and management.

However truly successful placemaking requires flexibility – leave space for creativity and innovations, adaptation to changing policies, and responsiveness to shifting social and technological needs. In the words of the late great masterplanner and architectural theorist Leon Krier, when he chose to break his own rules, "we should aim for 80% harmony, 20% discord!". Or indeed as Picasso famously remarked, "Learn the rules like a pro so you can break them like an artist".

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Case study: Nansledan, Cornwall

The Duchy of Cornwall's work at Nansledan illustrates both the promise and the challenges of the master developer model. Cornwall Council's strategic leadership and support helped to create a balanced s.106 agreement, flexible planning framework (Local Development Order), and funding for the Newquay Strategic Route - all of which has enabled the Duchy and its consortium of housebuilders to invest in the lion's share of infrastructure and the building of Market Street.

The result is a flourishing community blending characterful homes with jobs in a wide range of businesses, shops, community uses and green spaces, sports and recreation; helping to bolster and regenerate the coastal town of Newquay. Yet the financial pressures remain formidable. With break-even expected mid-delivery (2032/3), a respectable IRR of around 15% is still projected for the Duchy, but only with the land in at agricultural value – a landowner's prerogative. The Duchy's experience highlights the patient capital required and importance of robust public-private partnerships given the relatively limited number of private (institutional) investors who would accept such conditions. All of which explains why master development remains a niche endeavour despite its many social and economic benefits.

Impact of Infrastructure Costs on Viability

Recent research commissioned by several major landowners, in dialogue with MHCLG and completed by Knight Frank and AECOM, confirmed that escalating infrastructure costs are the greatest constraint on viability for large masterplanned sites.

This isn't about inflation and labour shortages in delivering the infrastructure that makes a place sustainable. Decades of under investment from stretched public sector resources have led to a steady shifting of responsibility for an ever-wider range of infrastructure, away from statutory bodies (the tax payer), onto the developer. Master developers in particular are being forced to stretch their patient capital to the extreme or scale back some of their ambitions in order to absorb decades-long risks funding an ever wider range of both 'on-site' and 'off-site' infrastructure requirements and s.106 obligations.

This reality underscores why stronger collaboration and new infrastructure funding models are essential if the UK is to scale up delivery of more sustainable, mixed use, walkable communities.

Emerging Government Support

There are encouraging signs of progress. Planning reform is placing greater obligations on local authorities to cooperate on Local Plans and housing targets. New initiatives - such as the New Homes Accelerator Programme - is helping unlock planning decisions, 'triaging' statutory consultees and providing greater resources to local planning authorities to help them make decisions in support of housebuilding generally. Fiscal measures are also being introduced through Homes England from April 2026:

- A £39bn affordable housing programme and ten-year social rent settlement to stabilise Registered Providers and provide greater certainty for investors.
- A new National Housing Bank, backed by £16bn of finance, to provide 'low cost' loans, equity investment, and guarantees for housing projects.
- A £5bn National Housing Delivery Fund, grant funding targeted at land assembly and infrastructure for sites facing viability challenges.

These measures, alongside the forthcoming Long-Term Housing Strategy and New Towns Taskforce Report, signal a renewed recognition and support for building communities and the leadership role that landowners and master developers can play.

Looking Ahead

Will planning reforms and fiscal measures go far enough to avoid the promotion of New Towns becoming a repeat of the Ecotowns experience? More radical measures like Special Development Orders and expanding the scope of Development Control Orders are arguably required to get planning permissions for new settlements in place much more quickly than the glacial pace of recent times. New infrastructure funding mechanisms already well established in the US, such as Taxi Incremental Financing and Municipal Bonds, would surely create a level of finance and ambition in placemaking not seen in the UK since Victorian and Georgian times.

Whilst such measures might be deemed too radical by some, there does at least appear to be a growing recognition and understanding of the valuable role and inherent risks undertaken by master developers. Meetings between MHCLG's Major Landowners Forum and the New Towns Taskforce have illustrated the shared objectives and challenges faced by master developers and the Development Corporations being proposed for new towns. Both are seeking to deliver better quality housing for all in masterplanned communities that place people, placemaking and stewardship at their heart.

If the government can sustain planning reform, with infrastructure funding support, and if more robust public-private partnerships can be built on foundations of trust and shared ambition, then landowners as master developers have a significant role to play in delivering the 1.5 million homes the country needs. Their stewardship offers a pathway to high-quality placemaking, building communities that endure well beyond electoral cycles.

As Léon Krier once reflected, "building a community like Poundbury is the most rewarding and absorbing endeavour - a teaching and learning process for builders, architects, developers, planners, for those who live and work there and not least for the Duchy [of Cornwall] team and masterplanner".

The challenge now is to scale this endeavour across and beyond the Building a Legacy network - for the mutual long term benefits of generations to come.

Cost of Infrastructure: Unlocking UK Masterplanned Communities: Recognising and Funding the Land Developer Role

CHARLIE DUGDALE

The UK's masterplanned communities (MPCs) are a critical part of meeting housing need at scale. Yet, despite policy ambition, delivery has been slow, fragile, and prone to stalling when market or cost conditions turn against it. One overlooked reason is the absence of explicit recognition — in planning policy or viability methodology — of the Land Developer (or master developer) as a distinct and vital actor in the delivery chain.

The Role of the Land Developer

In a functioning MPC delivery model, the land developer:

- Controls raw land, secures planning consent and masterplanning
- Delivers primary infrastructure: roads, utilities, drainage, schools, green spaces
- Services land into parcels ready for housebuilders
- Enforces design codes and stewardship arrangements.

This is a capital-intensive, high-risk role bridging the gap between agricultural land with planning potential and fully serviced plots that housebuilders can build on. It is not the same as the vertical housebuilding business — yet UK policy viability models treat it as if it were.

Evidence from UK – the costs of infrastructure

In collaboration with AECOM, I recently undertook a study of 27 MPCs totalling over 94,000 homes with a broad geography in England. All the sites were between 1,000 and 10,000 homes in size, all were in or very close to being in delivery, and all were priced at November 2024 prices. The average figures were sobering.

- Promotion cost: £20,000 per gross acre, or £10.5 million per project
- Infrastructure to service land: £1.29m per net developable acre, or £516,000 per gross acre
- Costs secured by s106/278 as a proportion of total infrastructure costs: 42% (excluding affordable housing cost)
- Site efficiency (net development area / gross site area): 40%.

My own observations are that a combination of cost inflation and the hard line imposed by the 2019 rewrite of PPG on Viability has consistently eroded potential returns for the Land Developer. One of the critical consequences of this is that there is insufficient collateral to finance the infrastructure build-out causing projects to stall.

Recognition in policy

The 2019 redraft of the PPG moved planning viability from a market-based, price-paid approach to a policy-first, EUV+ methodology:

- BLV must be based on Existing Use Value (EUV) plus a “minimum” landowner premium, not market comparables or hope value. The premium must simply be enough to “incentivise a sale” and ensure policy contributions can still be met
- The price paid or market evidence is only a cross-check — it cannot drive BLV. The logic is inverted: policy demands (affordable housing, infrastructure) set the viability test, not the other way around.

Inspectors have made this explicit. For instance, in the Warburton Lane appeal (Trafford, Appeal Ref APP/Q4245/W/19/3243720) the Inspector rejected market-based land values and instead adopted an EUV-based approach: agricultural land valued at £8k/acre, with a 10x premium only on the net developable area, yielding a blended BLV of ~£46,945/gross acre — about 5.9x EUV citing that the premium must be “sufficient to incentivise the landowner to sell” and must not erode policy delivery.

In other words, the appeals are enforcing the principle that BLV must flex to protect policy — not preserve a market-led return on investment for land promoters and Land Developers.

By referencing only landowners and housebuilders in policy, there is no recognition of the return on investment required for promotion and delivering infrastructure. The current PPG framework effectively assumes the housebuilder will deliver all infrastructure within their own viability margins — an assumption that does not hold for large MPC sites.

Consequences of ignoring the Land Developer in policy

By focusing on a “minimum landowner incentive” and protecting policy compliance, the PPG erases the economic return for key actors that are essential for large MPC sites.

- Promoters / Land Developers: No explicit margin is modelled for the Land Developer who fronts planning, infrastructure delivery for multi-year infrastructure delivery. Their risk and capital are not recognised — viability models assume the housebuilder carries all profit. In turn Land Developer capacity is shrinking with fewer firms being able to take on large sites

- Infrastructure Financeability: With BLVs forced down, post-planning land value becomes too low to support private capital and debt-based infrastructure funding. The land uplift that usually leverages infrastructure finance simply vanishes
- Delivery Incentives: Without a structured return for promoters, landowners have no incentive to sell, and infrastructure delivery stalls — precisely the dynamic creating delivery failures in today's cost-inflationary context
- Margin compression: Sites risk becoming stranded when cost inflation outpaces GDV growth, as has happened since 2022.

In short policy ignores the actor (Land Developer) needed to bring sites forward, creating a delivery gap.

The US Model: recognising and rewarding the Land Developer

In the US, the master developer role is not only recognised but institutionalised in both policy and finance. Examples from growth-focussed states such as Florida, Texas, and Arizona show:

- Two-stage delivery economics:
- Stage 1 — Raw land → serviced parcels (Land Developer earns a margin on uplift after infrastructure)
- Stage 2 — Serviced parcel → built units (housebuilder earns vertical build margin)
- Master developers target 12–18% IRR over the life of the MPC
- Policy certainty on zoning, infrastructure obligations, and phasing reduces delivery risk

Crucially, Land Developers are not left to absorb primary infrastructure costs alone. They can access special-purpose taxing districts.

Special-Purpose Taxing Districts (SPTDs): Funding Growth

Mechanisms such as Community Development Districts (CDDs) in Florida or Municipal Utility Districts (MUDs) in Texas allow:

- The creation of a defined district over the MPC area
- Issuance of tax-exempt municipal bonds to fund roads, utilities, schools, and amenities
- Repayment of bondholders via an annual levy on properties within the district over 20–30 years
- Immediate cash flow for infrastructure without loading costs entirely onto the upfront viability.

SPTDs have been a critical financial tool for funding MPCs and have unlocked projects that would otherwise have stalled.

STPDs:

- Lower the equity burden for the Land Developer
- Accelerate delivery of strategic infrastructure
- Operate over timescales that align with multi-generational investment and placemaking
- Spread costs fairly across the community that benefits from the investment
- Keep serviced land pricing predictable and competitive for housebuilders.

SPTDs were the US's answer to the same set of challenging economic circumstances being seen in the UK. What is strikingly different is the pro-growth attitude and the willingness to sit down with Land Developers to understand what is needed to unlock development from a financial perspective. This is in contrast to the UK's desire to "hold developers to account". By listening to industry and recognising the vital role played by Land Developers, the pro-growth states in the US have encouraged widespread development and have made significant inroads into addressing the affordability crisis in these states.


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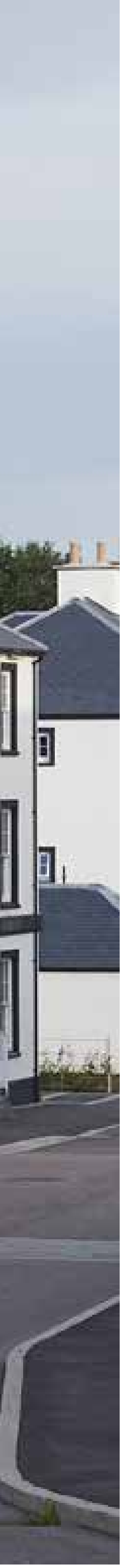
Conclusion

The current UK policy framework treats the Land Developer as invisible, baking unrealistic assumptions into viability testing and leaving no return for this high-risk, capital-intensive role. By contrast, in the US, the Land Developer sector is central to housing delivery, supported by policy certainty, financial instruments, and infrastructure funding models such as CDDs and MUDs.

If we continue as we are, the UK risks continued under-delivery of large sites, stalled infrastructure, and a contraction of the very sector needed to bridge the gap between policy ambition and homes on the ground.

These conclusions also point to the importance of financial reality. Projects need to be laser-focussed on the financials from the outset. They need to make realistic assessments of infrastructure costs with appropriate contingencies, and ensure that there is an investable return for investment in each development activity. There should be no presumption that the value of a planning permission will be sufficient to justify your investment; the justification needs to be founded on evidenced financial analysis.

Tornagrain. © Ben Pentreath



Delivering Good Growth: The Strategic Land & Infrastructure Investment Model

MATTHEW BENSON, GAIL MAYHEW, & LEIGH SAYLISS

Analysis of successful place building internationally and over an historical perspective highlights that two key, consistent characteristics of effective delivery are the adoption of a patient timeframe to returns, and the separation of the distinct activities of place building and housebuilding.

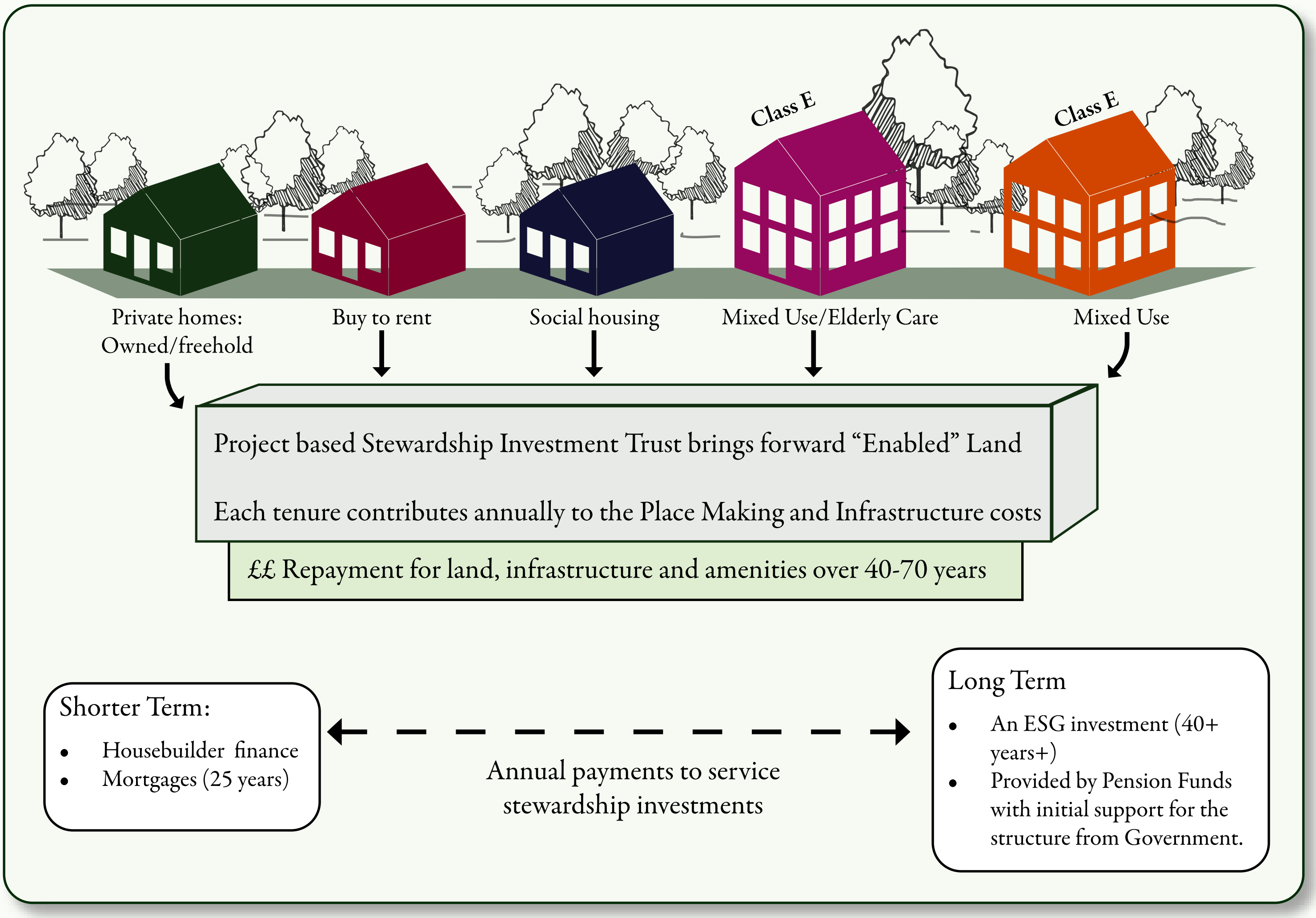
This model has long term precedents within the UK as the arrangement under which many of the historic London urban estates, the Edinburgh New Town and South Side, Edgbaston in Birmingham, The Town Close Estate in Norwich were developed. More recent experience at Poundbury, Nansledan (Newquay), Upper Heyford, Newhall, Tornagrain (Inverness), Chapelton of Elsick (Aberdeenshire), North Baddesley & Luzborough (Romsey), show that this development rationale can be refreshed to produce high quality contemporary neighbourhoods.

This analysis underpins the advocacy being taken forward by the Stewardship Initiative which seeks to innovate how land, finance and expertise are brought together to deliver high quality, economically vibrant and sustainable places.

In order to achieve a radical shift in the quality of the outcome and pace of delivery anticipated, there is an urgent need to remodel the commercial arrangements for urban extensions and new settlements recognising that the development of the land and infrastructure, which is a long term process requiring a patient approach and distinct skillset, is a separate and distinct activity from building property (whether homes, commercial and community space) which relies on short term funding and rapid returns.

The former place making-led, strategic land and infrastructure delivery role can either be taken forward by a landowner, an expert land/infrastructure master developer or by a public authority – or any combination of these working through a partnership arrangement. The product is well master-planned, infrastructured oven-ready, parcellised land under a strictly enforceable design code. By encouraging this 'stewardship' development and investment approach, the land market is opened up to the participation of developers of all sorts whether volume house builders, SMEs and regional firms keen to build bespoke localised product, housing associations, self-builders and commercial / specialist developers.

WHAT HAPPENS IF WE FINANCE THE LAND, INFRASTRUCTURE AND PLACE MAKING OVER THE LONGER TERM?



Stewardship Land & Infrastructure Investment Platform - Credit: Rettie & Co & Smart Growth Associates

Further, by unpacking the activities of placemaking-led land and infrastructure delivery from the activity of building property, the right skill sets can be applied to the distinct activities, and appropriately sourced capital married up with return on capital horizons, product and risk appetite.

A series of studies have highlighted the financial and social value implications of adopting the place making-led, patient capital route. Essentially, much greater social and place value is yielded from this approach, however it remains a challenging delivery route due to present professional conventions; tax barriers; the scarcity of capital at key junctures within the development trajectory and the lack of incentivisation within policy to adopt the patient timeframe and generous mindset required to create high quality, vibrant and resilient places.

In order to encourage widespread adoption of place making-led strategic land and infrastructure delivery arrangements, key obstacles to participation in this model need to be addressed both through updated professional practice and policy.

Legend: Retail Commercal Education Health & Public Services Places of worship

Stewardship versus standard development: Comparative economic 'yield' - Credit: Kings Foundation with Knight Frank / Space Syntax / Smart Growth Associates

Nansledan new High Street. © Hugh Hastings

Professional practice & capacity

Critically, the initial decision on the part of a landowner as to whether to commit land to a long-term patient capital partnership arrangement or pursue the conventional route of option/sale or promotion agreement needs to be supported with clear professional advice, and greater transparency of market information around the pros and cons of the alternative routes. The King's Foundation published a guide to support advisor, trustee and landowner decision making in Spring 2025 [Best Value in Land] intended to help navigate the question of how 'best value' can be secured across a range of measures. This should also make essential reading for planners and policy makers highlighting the decision-making process and choices that must be addressed at the earliest stages in taking forward schemes.

Greater awareness of the stewardship development and investment route needs to be embedded urgently in real estate education as well as professional practice development. This should be addressed by the professional institutions and consideration given to the development of professional practices to support master developer-led, patient capital approaches. The Stewardship Initiative is working with the RIBA and Urban Design Group, for example, having identified the need to create a distinct plan of work for strategic sites to help guide procurement of services, business planning and budgeting for projects. Other areas of professional practice will need to be innovated as updated commercial arrangements are worked through, whether valuation methods, legal arrangements, or design quality management practices.

This is coupled with the need to capture and make available market performance data through the development of in-depth case studies; comparator assessment and a sustained exercise to track values and social value created across alternative delivery models. Notwithstanding Knight Frank's Cost & Value report and Bidwell and Adam Architecture's recent exploration of the relative financial performance of patient capital schemes, there has been little support available to develop in-depth, sustained market intelligence in this area.
The requirement for quantitative analysis to underpin the commitment of capital to place building should not be underestimated, and this would be a vital step towards encouraging the commitment of both land and patient capital to match the funds being made available for new settlements through the public sector.

There is equally a need to bring forward the skillset associated with master development in order for this approach to be mainstreamed. There are a small number of master developers presently operating explicitly within this role, and the scale and number of potential projects far outweighs the apparent capacity to take schemes forward. There is great scope however to convert available skill-sets from across the property sector whether presently engaged in strategic land promotion, housing associations and a range of associated professional roles (public and private) through targeted training and capacity building.

The King's Foundation / University of the Built Environment Regional Building Foundation initiative is addressing this issue with SME and regional builders by advancing a programme of enabling and skill building. This should be built upon to deliver 'conversion' courses for senior professionals across the industry and officials within the public sector operating in this area.

THE STEWARDSHIP STRATEGIC LAND & INFRASTRUCTURE INVESTMENT MODEL

The Stewardship Initiative identifies the urgent need for finance for the patient funding of 'strategic land + infrastructure' to deliver high quality new neighbourhoods

This envisages a partnership between landowners & master developers to secure long term land enabling, development & investment:

- Planning land collaboratively to consider best use and development mix within limits of natural systems and infrastructure, and considering 'place potential'.
- Looking for best returns across a set of measures of value – social, environmental and financial
- Securing high quality place-making and architecture
- Supporting high quality design quality management through the development process & place management in the long term.

Removing Tax Barriers to the commitment of land as patient equity

Recognition is growing of the need for patient development structures that support long-term land stewardship and enable flexible, high quality place building. However, patient development requires landowners to include flexibility in their arrangements and commit to long-term decisions – often having to work together with other landowners.

These types of arrangements can give rise to acceleration of tax, or even "dry" tax charges (charges that arise at a time when no cash is generated to pay the tax), such as when land is pooled or de-pooled; or when land is moved from investment to trading stock and back. On occasion, the same profits can even be taxed more than once – for example where land owned by one landowner is used for communal purposes or affordable housing, and an equalisation payment is made by landowners whose land was developed into more profitable private housing.

Further difficulties arise because a "patient" developer will establish structures that continue for many years, or even decades. In doing so, they will be tied into arrangements based on the tax position at the time of starting the development. However, stewardship is a long-term commitment and patient developers are vulnerable to instability in the tax system – a problem that does not affect the "quick" developer who moves in, develops and sells before the tax rules can change.

Efforts are underway to find ways in which to address the barriers posed by current tax frameworks. An immediate recommendation is to collect concrete case studies that illustrate how the current tax structure can deter stewardship-led delivery. Real-life examples can help indicate what changes may be required to encourage socially beneficial development. This position is not predicated by a case of landowners looking to pay less tax, rather, what is required to support landowners adopt a patient equity position, and the ability to manage the timing of tax charges; for equal entitlement to reliefs as against standard promotion arrangements, and for certainty, as far as possible, on ultimate tax treatment.

On the surface, any relaxation or concessions in the tax system appear to result in a loss in revenue, or a delay in the timing at which revenue is received by the Government. However, it is also important to investigate the extent to which the tax barriers mean that developments are not proceeding, resulting in no tax revenue at all, as against some tax being received – or even the same amount or more tax being received, but at a later point in time. A further recommendation would be for a systematic study of fiscal implications of alternative development routes and ultimate built product – across the range of taxes collectable – in terms of total quantum and timing.

The aim of an ideal tax system is to impose tax without controlling how businesses, and individuals, behave – unless there are good reasons for doing so. However, the tax system can be used to influence taxpayer behaviour, for example by giving reliefs for investing in high-risk new business, or for donating to charity. In the case of land development, present tax arrangements are deterring socially responsible long-term land development. Rather than encouraging such behaviour, or even acting neutrally, the current tax system is acting as a brake on the potential for landowners to act as responsible stewards of place and to help in meeting national housing and infrastructure goals.

The ultimate goal would be to implement changes that enable land to be brought together with investment funding on a long-term basis, such that a landowner is not penalized in comparison with standard housebuilder option and sale arrangements, and so that all parties are encouraged to adopt a patient equity investment position – or at least not penalised for doing so. However, structural changes take time and, in the meantime, the proposed review exercise would further look to identify more immediate clarifications and agreed approaches to interpretation of the legislation that could immediately give comfort to landowners, their advisers and trustees in making decisions committing to a patient equity position.

Financing infrastructure and place

The current model of long-term infrastructure costs being added to the cost of new homes creates an artificially high cost for housing and is preventing many schemes from moving forward in the first place. By separating out the activity of place making, land enabling and infrastructure delivery from property development, the cost of the land and infrastructure can be financed and repaid over a longer investment period which would help to achieve viability and deliver housing affordability whilst maintaining access to homeownership.

Under this patient capital investment scenario, the strategic land & infrastructure investment entity takes on a long-term stewardship role laying out the land, undertaking enabling and infrastructure works and managing development quality in line with a masterplan developed collaboratively with a local authority, community and other stakeholders. This enables the social and place infrastructure required to support a fully-fledged settlement to be embedded as a core element of the business model as opposed to being added in via taxation. The land & infrastructure is managed to optimise returns, sustainability, resilience, and place-making on a stewardship basis over a potentially extended time period. Property is developed within this framework on the basis of build-lease arrangements or under development covenants allowing quality to be enforced through contract as well as by means of the planning system. Much greater alignment is thereby created between a master developer entity and a local authority, both intent on the delivery of place value.

Instead of facilities being ‘bolted on’ through the operation of planning obligations with delivery of these elements often delayed, and sometimes, in the course of a scheme negotiated away, these are hardwired into the place building delivery model. Under the stewardship model, these uses and amenities become a critical factor in driving place and investment value, building the ‘locational’ attraction of the scheme and are an important element in driving delivery rates and buyer attraction. As the land and infrastructure interest is long term in its perspective the benefits that arise from place making, which often take time to emerge, are valued and captured.

A Blueprint for Place Building

The practice and policy innovations outlined above are derived from analysis of tested practice around the UK across varied property markets, with increasing numbers of Legacy schemes following the trail blazed by the Duchy of Cornwall's market leading urban extension to Dorchester at Poundbury. These schemes are demonstrating the robustness of the delivery model within the mainstream market.

Consolidating the practice innovation that has been developed by members of the Building a Legacy group, and that of parallel schemes developing to similar principles within the regeneration sector, offers government a relatively de-risked route to delivering not just 1.5M new homes but a step-change in the nature of housing delivery. The barriers to change and potential solutions which we have outlined above, if addressed effectively, could yield wide-ranging and long-term benefits to communities and places around the whole UK, delivering healthy, vibrant, resilient new neighbourhoods which embed social and financial value and build, rather than detract from the quality of place.

The time for change in the delivery of residentially-led development is long overdue. A limited commitment by government to support the industry enable innovation would go a long way towards building confidence and commitment.

The first step is to make Place Building the key objective not just delivering housing. A second step will be to create a collaborative working method that enables a dynamic dialogue between all key parties – the industry, stakeholders, government and experienced professionals to iterate market-informed innovation – and to accomplish this on a regional basis such that the wide-ranging property markets of the UK are enabled according to local needs and opportunity.


Roussillon Park, Chichester: Urban Extension. © Zero C / Ben Pentreath

CONCLUSION

DR. DAVID HOWARD, UNIVERSITY OF OXFORD

The 2025 Laying the Ground for New Towns report highlights the need for a fundamental shift from house-building to place-building. Central to this is the recognition that durable, healthy, and sustainable settlements are created not by delivering units of housing alone, but by integrating social, economic, and environmental value into the formation of healthy places to reside, work, and visit.

Building houses as part of places

Examples such as Philippe Pemezec's thirty-year transformation of Le Plessis-Robinson demonstrate that new towns succeed when they reclaim identity, establish civic centres, and embed proven, sustainable, and walkable urban forms. The result—social mix, reduced poverty, rising homeownership, and civic pride—shows that beauty, density, and careful stewardship can generate wealth, rather than consume subsidies. In contrast, post-war land zoning and car-dominated urban layouts have often fragmented community life, and reduced the social and economic vitality of many town centres. Ben Bolgar and others argue for integrated, high-street-led models, where civic, commercial, and social uses concentrate at the heart of towns.

This report identifies core elements for building effective and sustainable new towns, prioritising place-making as well as providing house. First, building mixed residential areas with a clear spatial and phasing development strategy that connects natural and social resources. Second, emphasising and ensuring a proactive, place-specific vision created with local stakeholders. Third, ensuring community leadership that endures beyond electoral cycles, incorporating and facilitating patient, long-term infrastructure funding. And finally, placing emphasis on continuous learning and adaptation to emerging environment, social, and economic needs at local and wider levels.

Financing, however, is arguably the most critical challenge. Past UK models—from philanthropic Garden Cities to state-funded post-war New Towns—provide the basis for ongoing learning and urban adaptation, but have also proved vulnerable to shifting political priorities and debt. Contemporary global case studies (Zurich's Sihlcity, Manila's rail PPPs, Kibera's NGO-led projects, and Philadelphia's community finance) highlight further lessons to take into account: diversify funding, blend public and private capital, and embed long-term revenue streams. Environmental trusts, business improvement districts, state investment banks, and cooperative land banks, or community land trusts that recycle income into local infrastructure have been considered. Digital finance may widen access and enhance accountability, but as always, depends on sound governance and data security.

Tornagrain. © Ben Pentreath

Escalating infrastructure costs often generate roadblocks to more enlightened urban development. This report has argued that involving engineers early into project ideas, challenging over-specification, breaking down planning–technical silos, and negotiating utility agreements collaboratively can ease these stresses. Case studies show savings of up to 75% when design assumptions are rigorously tested.

The importance of careful stewardship for all new town development underpins much of the discussion and evidence offered above. The master developer model—pioneered in projects like Poundbury and Nansledan—can offer an effective alternative to speculative housebuilding. By retaining long-term land stewardship, phasing serviced plots, and enforcing design codes, landowners, or public entities can ensure quality, integrate civic assets, and spread infrastructure costs over time. However, this requires patient capital, flexible coding, and strong public-private partnerships. This report calls for local and national policy frameworks that explicitly recognise the land developer's role, incentivise patient equity, and reform tax structures that penalise long-term stewardship. Professional practice also can be updated, with clearer advice for landowners, new training for master developers, and more robust data on social and financial value of stewardship models. Homes England programmes and proposed planning reforms are encouraging, but sustained commitment is vital.

Future places for homes

Much of the evidence above points to the value of reframing national housing policy around the specific, integrated practice of Place-Building, rather than the just the numbers of housing units delivered. Stewardship, patient capital, and master developer roles in planning policy, if embedded as mainstream practice, could transfer the current UK housing crisis to a more feasible challenge, which incorporated more innovative infrastructure finance tools, such as municipal bonds and land banks, and sought to strengthen professional capacity and data transparency to support new models. Creating healthy, enduring new towns requires combining design excellence with financial innovation and stewardship, ensuring that places deliver true value for many generations to come.

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