

Built Environment Committee

Corrected oral evidence: New towns: practical delivery

Tuesday 10 June 2025

10.45 am

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Members present: Baroness Andrews (The Chair); Lord Bailey of Paddington; Lord Cameron of Dillington; Viscount Hanworth; Baroness Janke; Lord Mawson; Lord Porter of Spalding; Baroness Warwick of Undercliffe; Viscount Younger of Leckie.

In the absence of Lord Gascoigne, Baroness Andrews was called to the Chair.

Evidence Session No. 7

Heard in Public

Questions 83 - 91

Witnesses

I: Vincent Goodstadt, Independent Consultant; Maurice Lange, Analyst, Centre for Cities; Steve Quartermain CBE, Independent Consultant.

USE OF THE TRANSCRIPT

1. This is a corrected transcript of evidence taken in public and webcast on www.parliamentlive.tv.

Examination of witnesses

Vincent Goodstadt, Maurice Lange and Steve Quartermain CBE.

Q83 The Chair: Good morning, colleagues. Good morning to our witnesses. Welcome to the Built Environment Committee. This is the seventh evidence session in our inquiry into the practical delivery of new towns. Today we are looking at the strategic planning and how this interacts with the delivery of new towns.

Joining us today we are very happy to see Vincent Goodstadt, who is an independent consultant and a past president of the RTPI, with very extensive national and international experience in this area; Maurice Lange, who is an analyst at Centre for Cities, an important body; and Steve Quartermain CBE, another independent consultant, who was formerly chief planner at MHCLG. We are very happy to see you all.

We have quite a lot to get through, so I will make the usual head girl announcements about keeping your questions and answers concise. We want to hear what you have to say. Please allocate the questions among yourselves and do not feel obliged to answer everything.

This morning we are exploring with you in our four blocks of questions the way in which new towns can serve specific purposes of reducing regional inequalities and promoting economic growth and what criteria might be developed to ensure that that happens as effectively as possible. The questions reflect those ambitions in different ways. I will start by asking you to introduce yourselves and to explain briefly what your interest and expertise is in this area.

Maurice Lange: I am analyst at the Centre for Cities think tank. We are an organisation dedicated to improving the economies of the UK's 63 largest urban areas. I have led the centre's research on new towns in two streams. One is digitising old housebuilding datasets to understand how many houses were built in different parts of the country. We can now understand what happened in the last new towns programme and how much each built. Secondly, we did a piece of research looking at how you might think about where new towns should go and the potential land value capture that you could expect on different sites in different parts of the country.

The Chair: Very interesting. Thank you very much.

Vincent Goodstadt: Thank you very much. I am honorary professor at the University of Manchester and I am also on the UK2070 Commission, which is an independent commission into the deep-rooted inequalities across the country. In terms of the specific

agenda that you are addressing, my experience relates to the fact that I worked for and with a range of new towns in the country. I worked for Redditch but I have also been involved with Cumbernauld, East Kilbride and Milton Keynes, for example.

As for the strategic planning dimension, I was responsible for establishing and running what has been the longest-running joint statutory planning system in the UK for the west of Scotland, which has been in operation since 1996 and is still going but has gone through various cycles of reinventing itself. It is relevant to the questions you are asking on SDS. Finally is my work with particularly the Royal Town Planning Institute and the Town and Country Planning Association on their seminal reports¹ on the need for a national spatial plan.

The Chair: Thank you very much. Steve, tell us about your background.

Steve Quartermain: Good morning, everybody. I had a career in local government where I spent 12 years at senior management level running all council services but, most importantly, an excellent planning service. I then became Chief Planner for the Government in 2008 until 2020. Since I stood down from that role I have a portfolio of activity that keeps me busy.

Q84 **The Chair:** Thank you very much. That is a tremendous spread of expertise in all sorts of areas of policy and planning.

I will start off with the first question looking at national policy, regional policy and regional disparity particularly. There is a clear brief from the Government that new towns should deliver growth as well as affordable housing. How can they play a significant role in reducing regional inequalities? Is there a conflict between a national project for new towns that we would think of as being spaced out across the country to be fair and that particular requirement that they serve the growth agenda? What are the challenges here, given different conditions in different regions? Is it, in fact, feasible to build them across the country in a fairly distributed pattern? I will start with Steve on this one.

Steve Quartermain: The answer is yes and yes, but obviously you need more detail. There are 32 new towns already, so on your question as to whether it is feasible, then demonstrably the answer is yes, it is. You can build these. But you need to think about the way in which growth and economic benefit come from any development. You have to beware of just thinking of new towns as

¹ Key papers in 2006 reports [Uniting Britain](#) (RTPI) and [Connecting England](#) (TCPA). These can be found together with other reports on the case for a national spatial framework on the [Common Futures Library](#) ([link](#))

the answer. Any growth will give you economic benefit and I do not think you should see new towns in isolation.

Where settlements do expand, that growth needs to relate to and have a relationship with the existing settlement and it needs to work. It is worth bearing in mind that urban development is not just about buildings, it is about people. You need to have regard to how a place functions as much as what it looks like and where it is. Any geographer will tell you—and geography was my first degree—that places have a reason for being established, quite often, whether it be defence or a river crossing or commerce. Where you are talking about growth, you need to think about why you need that growth and what the driver is for that growth. It is not just about recognising settlement hierarchies because there is a danger in that. I have seen local plans with a settlement hierarchy where you end up with a lower hierarchy where there could be no growth. I am not sure that is right. Most places should be able to grow and you need to beware of that.

Function and understanding the consequences of growth is an important part of the planning process and I think that large urban extensions and new towns have a role in that, but new towns are not the only answer, Chair.

The Chair: They are not the only answer, no. Before we move on, what do you mean by separate hierarchies?

Steve Quartermain: Settlement hierarchies? What you will find very often in local plans is that local planning authorities will look at their existing settlement pattern and they will identify, to put it simply, the biggest town and then they will identify the next biggest and have a hierarchy of settlements that go down. The driver for this is often a phrase that is about sustainability. It is more sustainable to develop around the biggest town because that already has the services and functionality that can grow. It will have the transport. It will have the stations. It will have the hospitals and the schools.

Most authorities will look to grow existing settlements and then they cascade their numbers down that hierarchy. When I was at a local authority we often would run out of numbers. We would not have enough houses, so the lower-order settlements would get nothing because there was nothing to plan for. I always thought that was wrong because these smaller settlements did need to have some opportunities to grow and the only opportunity they had was exception sites.

My advice is to beware of overreliance on a hierarchy because there are opportunities to grow in settlements that might be seen as lower-order settlements that could still grow and have economic benefits.

The Chair: Thank you. That was very interesting.

Vincent Goodstadt: The question you asked specifically is about how we address the deep-rooted regional inequalities between different parts of the country. I agree that new towns can be part of that, but they are only one part of the package of tools required. We need to understand, I think, that the nature of the regional inequalities that we have are significantly about, in economic growth terms, the underperformance of our major cities outside the south-east. There is a lot of evidence that can be brought to bear on that which has been done by Centre for Cities and by the UK2070's own research².

The other aspect of inequalities of a regional nature relate to the remoter rural parts of the UK; for example, the east coast towns of England³, which need to be brought into the equation. Any question about the role of new towns and their contribution to growth has to be within that context if you are talking about the structural change of the economic geography of the UK. At the heart of it and the reason I say they can contribute is because new towns can be transformative. They are more than just an expansion of the existing, they are transforming the role of settlements, either completely new ones, like Milton Keynes was, in effect, or else being major expansions. Most of the new towns have trebled the size of the town they started with, a scale of growth that was different from many towns generally.

The way they can contribute is by having a very clear purpose of where they fit into an economic strategy. That is the core. It can be in different ways. The way I see it, for example, is in the way that Milton Keynes is doing it - is it is creating a new regional city for England, which has consequences for other places around it that can grow, whether it is Northampton and so on. They could also be part of a strategy for a corridor of growth. You probably will have heard historically of the Silicon Glen as opposed to the California one, where Livingston new town was a key element in delivering that. Or it could be about taking advantage of new connectivities, which, for instance, are being created by HS2 or Crossrail. It is

² Refer Special Edition of TCP 2020: UK2070 Commission & Rebalancing the UK Economy: https://uk2070.org.uk/wp-content/uploads/2022/06/tcp_nov-dec20.pdf

³ Refer report for UK2070 Commission by Greenguage ([link](#))

fitting it into an economic strategy, embracing it in this very specific, clear, and spatial way.

In all that, it will only work if there is a new context. If we go back to what have been the barriers for delivering a more balanced economy spatially in the UK, when every party for the last 50 years has been committed to it and things have not got better and some would say have got worse, it is because there are some entrenched issues that need to be addressed. One of them is inconsistency of policy, where, for example, housing targets are trend driven, which themselves are just a reflection of the way growth has occurred in the past and not about redistributing it. There are other issues about continuous change. I think that there have probably been as many planning and housing Ministers as there have been years in the last 25 years, which does not allow for consistent policy. A new town is, if anything, a long-term strategy.

The only thing I would add to that is to recognise in growth and economies at the intra-regional the role that new town-type approaches have to restructure some of our major cities — inner city new towns, if I can put it like that. You have, for example, in the East End of Glasgow a development mechanism⁴ almost equivalent to new towns to generate growth and economic change in the balance of the economy.

The Chair: Thank you very much, Vincent. It is a very important point you have made about the new towns having their own transformative power to deliver on a scale and so on and that it is incredibly important to see it within the context of the wider economic strategy in which they are located. I will move to Maurice.

Maurice Lange: On your question about how new towns could address regional inequalities, we would approach this question by observing that there are different types of regional inequalities that distribute differently in space. If you were thinking about economic productivity or unemployment, as Vincent was saying, we have significant problems in our largest cities and outside of the greater south-east, whereas the greater south-east is not the place where those problems concentrate. The same would be true of health or education. Then you would ask the question: is a new town - a substantial urban extension or an entire new settlement - the tool that you would reach for to try to address those economic and other inequalities? Our answer would probably be no. There are probably other things, such as urban regeneration projects or skills

⁴ Refer Clyde Gateway ([link](#))

policy or transport infrastructure, which might do more as your levers to pull to address those inequalities.

There are other inequalities to do with housing. Housing is most unaffordable in the opposite locations to those other inequalities: in the greater south-east, especially in London, and across the south more generally. Then there are other housing outcomes. Rents tend to be highest in cities and higher again in the greater south-east and urban areas in that part of the country. The same is true of council housing waiting lists. If you are expecting new towns to deliver a large number of social houses, then again you might want to try to target them spatially. New towns can be a tool to address spatial inequalities, but if they are mainly a housing tool, the tool to build houses as fast as possible in specific locations, then perhaps the inequalities you are trying to address are around cities and in the greater south-east as opposed to the locations you might think of when you are thinking about other types of regional inequality.

The Chair: Thank you very much indeed. I will ask Lady Janke to carry on diving down into some of these questions.

Q85 **Baroness Janke:** Thank you, yes. One of you said that regional inequalities was to some extent a result of underperformance of cities outside the south-east. Maurice said that the urban extensions and new towns would not necessarily benefit the regional economies, would not necessarily be the one tool. Certainly, my experience is that there is tremendous ambition in the rest of the cities, particularly of England, to fulfil their potential, of which they believe there is a great deal, but because there has been such a focus on the south-east they have failed to achieve their ambitions. Are you saying that you do not think that the new towns or the urban extensions can improve the prospects for cities other than in the south-east? Although you said demand is highest for housing in the south-east, it is highest because it has such a successful economy around London. Unless we generate successful economies in some of the other cities, will we still have this pattern of regional inequality? How do the new towns contribute to trying to achieve the ambition for the rest of the country?

Vincent Goodstadt: It is not inevitable that these patterns of inequality need to continue. There is clearly a change, almost a paradigm shift, in policy thinking about, for example, the role of our major cities, the development of combined authorities, the transfer of powers and the enabling of people to make decisions. I think that there is a long way to go in delivering on that and in thinking about, for example, the issues of fiscal devolution to enable people to make decisions locally.

In terms of the new towns, certainly within the context of the development of spatial strategies for these areas, they will play a part. There are places, such as Warrington, historically that have been central to that corridor of growth and one of the areas of success outside London for getting growth. Similarly, for example, in the future maybe Crewe will develop that role with the way that transport improvement is going. They provide a potential for future new town thinking.

New towns, as I said, are a tool and the UK2070 Commission was established because of the need to nail the problem and identify solutions. One of those, for example, which we have touched on, is the concentration of investment in the south-east. One of the particular areas of concern is the disproportionate amount of funding that goes to higher education in what is called the golden triangle. The work that has been done by the universities highlights a £4 billion a year gap in funding for research. The universities are the key drivers. In the regions, universities like my own, and Liverpool or Sheffield, are world-class universities that could drive the economy if they were integrated to an economic strategy and empowered to do so.

I am optimistic that we have the knowledge, capacity and know-how to do it, and we should be working towards that. New towns should be part of that initiative.

Steve Quartermain: Can I just add one very brief comment? Addressing inequalities is a laudable ambition, but there will inevitably be some inequalities. One of the things that I think we should drive for is that every place should have the opportunity to prosper. That prosperity may not be equal, but it is a question of a place prospering and being able to grow. The policy aim of addressing inequalities is a good one, but let us not get hung up on the idea that everywhere has to be equal. I can remember when the Government at the time—I think that it was the Labour Government—when I first joined issued the paper on world-class places. Somebody from the audience said, “Does everywhere need to be world-class?” It was a very difficult question to answer because the answer probably is no. The idea that everywhere should be as best as it could be was probably what was behind the policy.

Baroness Janke: I think that is what we are hoping for, really. I think that is what is behind the idea of equality. Do you not feel, as it looks to be the case that the investment in new towns is much more likely to be in the south-east, where there is higher demand, that this will be seen as probably one of the only big investment programmes

that is going that will again be focused on the south-east? Do we have something to learn from colleagues in other parts of the world, where they seem to have a much stronger regional approach to making sure that their cities particularly have the level of investment they need to serve their region?

Maurice Lange: It is important to understand what new towns might achieve. They are primarily a housebuilding tool. You have to think about the way that they marry up with the existing economy and future economy, but they are part of a broader economic development and housing development process. They are trying to at scale achieve what would otherwise not occur. If you were thinking about the cities that have low house prices at the moment, you would take that as an indication that there is not necessarily a strong demand for significantly more housing in that place, which might mean that doing that will not necessarily do a great deal for improving that economy, save for the jobs that the process of building those houses might create.

One caveat to that would be that some of the new towns might be reframed as large urban regeneration projects and, if that is the case, improving the housing that is available in the centre of our large cities that are not performing as well as London could be useful. That could also help to increase densities, which would increase the size of the labour pool available to firms in the centre of those cities. However, building a large urban extension on the outskirts of a city that already has low house prices does not seem to me to be the best strategy for doing that. The Chancellor has just announced a substantial package of transport infrastructure for the northern cities, between Liverpool, Manchester and Leeds. That seems to me to be the kind of thing that would be more likely to have a positive economic benefit to those places than putting money into funding large urban extensions.

It is also relevant to understand the financial feasibility of projects in different parts of the country. At the Centre for Cities we did a piece of research last year that tried to understand what the total development value of any given new town would be. If you built it at 100% market housing, what is the total sale value or market rent value of the housing that you have delivered in that place versus the costs—all the infrastructure you might need, the cost of building the homes themselves, all the planning and co-ordination that is required? We found that in some parts of the country the potential revenues do not cover the costs, even if you were able to buy land at agricultural value. That is partly because the cost of building houses has increased significantly in the last couple of years, but also since the last time that we did new towns.

You have to understand that if you were to use new towns as a tool for economic development without strong conviction about them being a tool for economic development in places outside the greater south-east, you would likely have to subsidise them as well. That might not be a decision that is best aligned with what new towns might actually achieve, which is tackling housing inequalities.

Vincent Goodstadt: In relation to your question about whether new towns in the south-east would just reinforce existing problems, the answer is that that is the risk⁵. Unless we face up to the need to have a significant policy shift of opening up their potential, when we talk about underperformance of cities⁶ - it is in comparison to other cities on an international scale. It is no coincidence, though, in that respect, without oversimplifying what is a complex issue, that we are the most centralised country in the developed world. Cities are much more empowered (elsewhere) to make decisions, for example, about whether they should have a metro or not without having to be dependent upon central government to tell them what they need.

We know the changes that need to be made and I think that the capacity is there. When I talk about new towns, I have not been talking about just urban extensions. It is where you have growth, either completely new or associated with an existing town, which transforms its role within the economic hierarchy of the region within which it sits.

The Chair: You mentioned Cumbernauld.

Vincent Goodstadt: Cumbernauld had a strong economic role. It had some early IT success. It then went down. Like all towns, there are cycles. The town I was involved with developing directly was Redditch, which was one of the smaller ones, but it was doubling the size of the town within a decade. It was geared not just to coping with the decanting of people from Birmingham in the traditional sense, but to providing the capacity for the industries that were there to grow. They needed the housing to do it and there was an economic dimension to it - that was the experience. 50% of all investment was private sector-led, even at that time. A big issue that is emerging from the work that the commission is doing — and in the Productivity Institute in

⁵ The risk is linked to the lack of strategic planning in the London and wider South East region (refer [2023 report](#)), and also the inherent problems in the current system as described by the [UK2070 Commission reports](#), especially 'Go Big Go Local' and 'Make No Little Plans'

⁶ Research by Centre for Cities 2024 ([link](#))

Manchester — in regional policy, is the risk premium that private capital pays by investing in areas outside the south-east⁷. That is an issue that needs to be addressed as part of creating the context for investment and growth to occur outside.

The Chair: Thank you very much, Vincent. Before we move on to the next group of questions, I will bring in Viscount Younger.

Viscount Younger of Leckie: This is just a sub-question. I was very interested to hear what you said at the very beginning, Maurice, about the work that you have done on the data stats of new towns. I think that basically you said houses. I know it is a big question but perhaps you could tell the committee what key conclusions you have come to; in other words, what works and what does not? I am also bearing in mind, which is relevant for this particular question, regional disparity and geographical positioning—where should they be built, to put it bluntly—and what Steve was saying, which I think is very important for the committee, which is communities and people. This is ultimately all about people. I suspect that the work that you have done could be instrumental in helping us make some decisions.

Maurice Lange: The work that we have done is focusing mostly on house building numbers. I have spoken a little bit about the land value capture work and I can explain that in more detail if you would like. I will also talk a little bit about what we see when we look at what happened with the last round of new towns.

We would make the observation that different new towns grew at different rates and they grew to different sizes. Those differences are largely a result of the economic geography of the places in which they were placed. The largest new towns, the ones that grew the fastest, were those that were outside London, and Milton Keynes, whereas the ones that did not grow to the size that they were planned to be are disproportionately in the north of England. That is because you had a period of economic decline and population was in the country more generally moving from the north to the south. The new towns evolved as a result of that.

The lesson to be drawn is not that there is an eternal difference between north and south, but a key lesson to understand is that what you could expect from a new town relates to the economic geography that we have. Our economic geography is different from how it was post-war. Post-war it was reasonable to think that you might build a town where you would move some people from a city that was undergoing economic decline, which would then be

⁷ The Productivity Institute is publishing a series of papers on this issue – [link](#)

attached to light industry or other jobs that would come with that new settlement. Today's geography is that we are a service-based economy and our highest-productivity firms locate disproportionately in large cities, as well as in Oxford and Cambridge and some other smaller cities with universities across the country. If you were thinking about building a settlement that could build on the economic geography of today, it is more likely that it is attached to those larger agglomerations, making the best contribution to a labour pool, which is what those services firms draw on, as opposed to setting up an entire new settlement on its own, which is likely to have in the future some of the economic problems that we are seeing towns and more peripheral locations having. We have higher vacancy rates in our shopfronts in towns. Making a whole new one, especially if it was far away from a city, might not be the best idea.

The Chair: Thank you very much. You mentioned land value capture. Can you write to us and tell us about your research into land value capture, especially as it reflects these regional differences? It would be very helpful for us. I have one very short question before we move on. You, particularly Vincent, have mentioned the transformational power of new towns, but the new towns that are being proposed are only 10,000. Do you think that is viable?

Vincent Goodstadt: It is viable. The question is whether it is sufficient. In a sense, it is arbitrary. It is a figure that I think needs to be tested. If we are talking about a long-term transformation of a place as a contribution to a transformation of the wider region, it may be that it is underplaying. It depends on what timescale. If it is 10,000 over the next 10 years for a town, that is fine, but the vision should be beyond the 10-year horizon. It should be generational. Therefore, it should be planned with a view to where it goes beyond that. That has been the experience of all the successful new towns, such as Milton Keynes, East Kilbride and Warrington. They have gone beyond what their original expectation was and coped and grown beyond.

The Chair: Absolutely. It has been very helpful to have the discussion around the economic geographies and the demographics as well because the next set of questions Lord Porter and Lord Mawson will deal with dig down into some of that.

Baroness Janke: Just before we leave it, to sum up, if we are talking about addressing regional inequalities, what we are saying is that the new towns programme as it is envisaged is insufficient to do that, that there need to be real policy changes, such as a move to devolution of powers. Yes?

The Chair: Yes.

Baroness Janke: Yes. Okay, because I would like to see that appear in the report.

The Chair: Thank you, Lady Janke. That is a useful statement.

Vincent Goodstadt: If it is of value, we can send you some more material on that.

Q86 **Lord Porter of Spalding:** We are expecting—I think that everybody is expecting—that the new towns commission will tell us where its preference sites are, but we are also expecting the department to be responding to that before the recess, so we are in the last few days of the commission probably thinking about what it is thinking about. Given that we will get only an approved list—I do not think that we will get, “Here is our draft list” and then the Government will pick the ones they want out of that—I think that is probably why the department has given its ministerial team the most wiggle room by not announcing the criteria for selection before the selection has been made so that the criteria can be applied retrospectively. Most of us would have had experience that that is how government generally works on contentious issues. You figure out what you want and then you decide why you wanted it. That is probably most likely where we will be with, it in my biased opinion.

If that is correct, and we definitely know the commission has not published anything in advance, what criteria should be applied to the selection of these? What metrics would you use? What publicly up-front justification would you use if you were the commission?

Steve Quartermain: I will have a stab. I said I was a geographer originally so there is a bit of understanding. I am confident that they in their report will try to explain the rationale behind their recommendations. However, from my point of view, you always look at the practicalities. That is what I always used to ask: “How does this work? What are the practical things?” I would have six headings that I would look for to address where these could be.

First, from a geography point of view, there is the topography: is the land capable of being built on? Secondly, you would look at the constraints. You look at the usual constraints. Most of you could think of these: flooding, environmental protections, drainage, utilities, heritage, national designations. What are the constraints that are in there?

Thirdly, you would look at functionality. I mentioned functionality before—the relationship to existing geographical settlements. What

are the economic opportunities? What is the transport connectivity? These are things that you will be looking for.

You would look, fourthly, at how this addresses the needs. Where is the population coming from that will live in these places? I will address that a bit more later when we deal with one of the other questions.

Fifthly, there are policy considerations, whether or not it is green belt, grey belt or whatever you are going to call it. What are the policy issues here?

Sixthly, and most importantly, what is the market appetite to actually build this? If you do not have somebody who is willing to build it, then it will not get built. We have had experience of that with the previous attempts, whether it be garden cities or eco-towns, where sites have been put forward but where there has been no market appetite to build they have not been built. You do need to be aware of the economic geography, as Maurice was talking about, and have people willing to build these.

They would be my starter for six, to which I am sure other people will add.

Maurice Lange: I will do a starter for three. When we were looking in our research at where the best places to put new towns would be, we had a framework that started with three things.

First is that it should follow existing house prices. Higher house prices would be better for two reasons. First, they are a signal of demand, so in a high demand area, as Steve was saying, people will want to move into this place and people will want to build those settlements to sell those houses.

Secondly, places with high house prices have the highest potential land value capture, notwithstanding any additional costs that one particular site might have. As a general rule, higher house prices mean that you are more likely to be able to cross-subsidise things such as transport infrastructure or affordable housing. You can see that in London. Housing developments achieve relatively high proportions of affordable housing when they are privately delivered, through Section 106. In other parts of the country that is not the case.

Our second criteria would be that they be in proximity to jobs, and jobs locate in large cities and, as I was saying earlier, around Oxford and Cambridge and so on. It should be cognisant of the economic geography and the distribution of jobs.

Thirdly, it should be connected to those jobs by public transport, and that probably means locating them around existing train stations or, if there are forthcoming transport upgrades, you should think about dovetailing those with new towns or urban extensions.

Vincent Goodstadt: I agree particularly with what Steve said. I always agree with Steve. But I understand the arguments that Maurice is making about the market context.

There are two contexts of where I am coming from on this question. One is that if we are driven purely by existing market conditions, all we are doing is using new towns to reinforce existing problems. In terms of Steve's thinking, I would like to maybe put a structure on it because I think that there are levels of policy-making that are involved here. One we have touched on already, which is the national level: what is the role of that region that we want for the country and the contribution of new towns? There then is the subnational interregional, the city region level, and it is where that helps that city. In some places there may be so much regeneration required that there is no need for a new town. We had that in the west of Scotland, where there was a proposed new town called Stonehouse, but when there was a need to regenerate the East End of Glasgow, it was de-designated because it would have diverted and displaced investment from where it was needed. So there is that judgment of where it fits in.

The research that University of Manchester has done—and it is very fresh; I have seen it only in the last few days—shows that the real benefit that happens at that scale is in the quality of life for people who go there relative to other places in the region. It is interesting.

That brings me to the more local level, which some of Steve's points really apply to. Even when you have decided where it goes in principle (about the need for a new town), it has to meet the criteria that Steve has identified and get it right. It is not a blank cheque, as such, for how you do it. I would make the bridge here to what you have touched on, Maurice, My experience of working in a new town and with new towns is that you get more benefit locally and nationally if you build on what is there in the urban structure. Where towns or cities have been substantially expanded, you can harness the benefits of building at that scale and pace that a new town allows in terms of value capture and so on, but also benefit the communities that are already there. It is making that bridge. My comments, as I see it, show how these things relate to each other.

Lord Porter of Spalding: I will hand over to my colleague Lord Mawson in a minute, but I have a follow-up on that. We need to establish

whether the purpose of the new towns is to deal with the economic disparities, which I do not believe is what the Government think they are doing, or whether it is a small-scale attempt on a few larger sites to address the need to deliver 1.5 million homes. Clearly, if it is the latter, then that is the way to do it. If it is the former, then your preference is the way to do it. Somebody needs to be clear in London what the purpose of a new town is. We are talking about only, what, 5% or 6% of the total housing need on these new towns. It is not the big sledgehammer to crack the massive big nut that is probably made out of iron rather than shell, whatever nuts are made out of.

Maurice Lange: I think that I would completely agree with you on that. They will not be the solution to building 1.5 million homes. They are a solution to build as fast and in as co-ordinated a manner as you possibly can in specific locations. Our numbers from the post-war period suggest that at the peak in the 1970s, when you had three generations of the post-war new towns happening all at once, they still built only less than 5% of all houses that were being built in the UK at the time. When it comes to meeting housing demand much more generally, it is much more to do with planning reform and funding for affordable housing in terms of achieving those broader goals.

However, new towns are, especially if we are imagining that a development corporation will be the vehicle for delivering them, something that would not otherwise be achieved by the private market. They are solving co-ordination problems, having a long time horizon on their expectations about financial returns, and so on. They are a solution to those housing problems that need to be co-ordinated at that scale and over that horizon. I do not think that they are a tool for broader economic regeneration. They can be part of it, but housing is a component part of that economic development thing when it comes to how we solve the underperformance of our other cities.

Steve Quartermain: Is it not the case that it is a bit of both? That is often the answer, is it not? New towns are seen as an opportunity to deliver housing numbers where people are constrained and struggling to deliver them in the existing areas. At the same time, if you do develop a new town or an urban extension, it brings economic benefits and there are broader benefits. Development brings benefits. I am not sure that it is as binary as the question suggests; it is probably a bit of both.

Lord Porter of Spalding: It depends, though, does it not? Sorry, I was going to give up there, but on the basis that Stevenage was

devastating for Stevenage old town but it was a fantastic new town to push people out of east London to, it did not bring any benefits to the existing community that were surrounded by a load of incomers. They lost access to their own facilities for a while as the new facilities still failed to keep up the pace. I am going off. That is the trouble with having the conversations. I cannot stop having the conversation. I will pass over to my colleague Lord Mawson.

The Chair: You are exerting tremendous self-discipline.

Q87 **Lord Mawson:** I want to take us into the SME world. Building new towns are full of hundreds of small and micro things. In my experience, the way to understand big things is to understand the granularity in practice of the micro and small things. I am very conscious of this conversation, having built an office complex of 13,000 for think tanks over the years and watched the behaviour of Governments and how they think this stuff happens. I am very aware in my life, operating a lot with small builders and others, that the world looks completely different when you look up the telescope rather than down, from people who are just trying to survive, from people who have actually built real things and are not overly worrying about theoretical notions of equality and financial feasibility and all those things at a theoretical level, but are dealing with the real practice of what is going on. If they are not there, none of this will happen.

Just before I ask my two questions, the thing that I am conscious of this last week, having been digging into this, is that one of our major financial investors in this country thought three years ago that it was going to have 7,000 SME builders developing. It is actually 1,800. The reality is going like this. All our political parties and think tanks and talkers are all talking about the importance of these things, but something in practice, in detail, very different is going on, with our Civil Service and the machines of state absolutely not ahold of all that.

I have two questions. First, have any of you ever run a business and wondered what it looks like up the telescope? A yes or no would be helpful because I am conscious in this macro world that there is a whole set of assumptions that go on in the people who surround it, who are very good people but may not have that skill. Secondly, what do you think is happening to this SME world? If we are going to have these new towns, in my experience in Rotherham or Bradford or wherever it will be, they are fundamentally essential to the creation of any economy, and the granularity of that matters. How much do we really know about what the world looks like from their point of view?

Vincent Goodstadt: I am happy to kick off. The answer to your question is that I have not specifically run a business. However, in my work I have always had a very close connection with businesses and engagement with them in trying to understand what is critical for them in making their decisions and how we can help with that in terms of direct links to economic development initiatives and so on.

In the context of the importance of SMEs, which you have touched on, the one thing that has always stuck in my mind is that in trying to understand where growth comes from. From the work I have done with longitudinal information and engagement with companies across a whole metropolitan area the fastest-growing component was in those SMEs, those start-ups, which had survived. It was the second generation. Policy was very much geared to the start-ups and the big boys, but it was missing out those firms which had survived and needed help to move on to the next stage. In terms of trying to understand policy responses, it has certainly been critical to my understanding, so more than theoretical but dealing with the specifics.

In terms of the future, you touched on something that I am asking myself based on conversations I have had with people about what is happening; for example, a colleague who has just come back from China and Japan. The model of future growth that was being put to me was that it lay within understanding that growth of what we would call the SME. I have yet to unpack what that means in terms of my own thinking, but I think it is something that is missing from the public policy debate which has not been missed out in other countries. They are looking at it.

In terms of the work we have done on the UK2070 Commission, a key parallel or comparator was always Germany and how it coped with unification. It was as divided a country as we are now. How did they build the bridges? One of the key things in its model was very much about the role of the SME, the small business, the local banking, and the whole way local industry and employment were supported rather than just concentrating on the big players.

I would agree with your concern. From all I am getting now, I think that it will be more important than we have thought about, but in terms of personal experience of running a business, no, I have not done that.

Steve Quartermain: I do not think that running Quartermain Ltd counts because I am the only employee, so I will probably have to say no.

However, you do make a good point. The issue with SMEs, you are right, is that the number of players in the market has fallen dramatically. There are a number of things that we need to have regard to. Obviously, there is access to land and the pipeline of land for small developers. I was never convinced that the concerns over garden grabbing were evidence-based enough. Often small and medium enterprise used to develop within gardens. If it was not appropriate it used to get refused. However, a blanket “no gardens can ever be developed” I think took a lot of land supply away from small builders.

The Government are currently consulting on a number of measures to try to improve the opportunities for SMEs, including easing the process on things such as BNG. There is a consultation document out at the moment. In this session we have talked not only about new towns but about urban extensions, and I think that SMEs have a role in urban renewal and trying to look at brownfield sites, brownfield passports. A better link could be made between sites that we know could be redeveloped and small and medium enterprises that can develop them.

At the moment, the major housebuilders are delivering most of the houses. You are right that we need to address that and free up the market for more players to get into the market. There are a number of ways we can do that. In my view, at the heart of this it is about land supply, giving them access to the land.

Lord Mawson: Can I just ask you one question because you have been in this game a long time? At the moment we have a generation of politicians on all sides, but particularly in this Government at the moment, who have never run a business. They have no experience at all of what that world up the telescope looks like. Our Civil Service is also increasingly not attracting people into it with this practical knowledge. What needs to happen to have that practical nous and knowledge within our system? How do you have a sensible conversation about it if the people within have no understanding of it?

Steve Quartermain: I think that you will find that a lot of people at local level, locally elected councillors, often have business expertise. You have raised the question as to whether that is translated into national politics. I do not have the evidence. I would say, though—and you would perhaps expect me to say this—that as a planner who then worked in the Civil Service as a chief planner with a professional expertise, there were times when I found that my expertise was not necessarily the expertise that was listened to in a debate about what to do with planning. If you are going to

have a chief planner, then perhaps listening to the advice of the planner might help the planning system work better.

The Chair: Thank you. Can I interfere slightly, gentlemen, because we are a bit short of time? I will bring in Lord Hanworth.

Q88 **Viscount Hanworth:** We have heard from Maurice Lange the phrase "land value capture". In an increasingly market-oriented economy, where there is a dearth of government funding to support new town developments, it seems inevitable that the location of new towns will be biased towards affluent areas, so we surely must seek mechanisms that will redress this circumstance. In the States they have a concept, special purpose areas, where taxes that can support infrastructure development can be raised. The question I am asking is: do we envisage similar mechanisms in the UK? Would they work? Is there any discussion of these possibilities? Special purpose taxing districts are what I am wishing to investigate.

Maurice Lange: Yes. My work on land value capture has not been specific about the mechanism that you might achieve it through, but it is mostly through assuming that you have a mechanism to drive down land values and that the land is then assembled by the development value of the thing that you are building. It then covers and can cross-subsidise other provision without the need for subsidy. That does not speak to what other taxes you might have either in that location or more generally. I do not think I can answer the question on taxes specifically.

Viscount Hanworth: The first generation of new towns were presumably sustained by compulsory purchase orders that were an effective way of making sure that the land value was captured. That does not seem to be popular these days.

Maurice Lange: There was a change through the Levelling-up and Regeneration Act 2023, which enabled public interest compulsory purchase at existing use value. That is a mechanism that has not yet been provided with guidelines from secondary legislation, nor has it been tested yet. The assumption is that some of these development corporations, if that was the way that these new towns were delivered, would have access to that power and would be able to follow a similar model to the post-war period. However, it remains to be seen whether that actually would happen.

Viscount Hanworth: So it is still in the offing.

Vincent Goodstadt: The way that new towns were implemented was through the use of existing use value. That was one of the reasons why they were starting after 10 or 15 years to contribute

to the Exchequer because they had been able to up front fund infrastructure.

In terms of your special purpose areas, the nearest we may have is the enterprise zones where there is tax relief. The great danger of them is to what extent they are merely result in the diversion and displacement of investment and have no net tax benefit. They can be used effectively if they are put within a wider strategic context. At the moment, the only place I have talked to people where they are trying to introduce them is California. There are problems with getting it through their legislation in detail and designating places. For example, they are hoping that it might be used to help people recover from the wild fires in California.

It is one to be used carefully, but it links to the need for us to rethink the tax system as a way of incentivising what we want to achieve more broadly in the economy. There is a place for it, but it is not being worked on at the moment.

The Chair: Thank you very much. Vincent, may I ask you to help us out some more? Could you send us some of the work that has been done by the University of Manchester?

Vincent Goodstadt: Yes.

The Chair: That will help us to understand the context as well. I will move now to Lord Cameron of Dillington and Lord Bailey for questions on spatial development strategies.

Q89 **Lord Cameron of Dillington:** Good morning, everybody. Thank you very much for coming.

As you know, the Planning and Infrastructure Bill will bring these spatial development strategies into England, although I believe they already exist elsewhere. I am wondering how relevant you thought these might be, bearing in mind that it will take quite a lot of time—if we can find the planners—to put these strategies into place, and whether they are relevant to the new town agenda in any form or whether they are more appropriate for other nationally significant infrastructure projects.

Vincent Goodstadt: Spatial development strategies to me are one of the positive things that are coming through because they allow a strategic approach to be taken locally to decisions. There may be a concern that it seems to be increasing a top-down approach. It is the reverse. It allows local people to work together to take strategic decisions that otherwise have to default to a higher level—namely, Whitehall. They are a means of empowering people, part of that package.

The importance for new towns is that new towns are about a level of growth that is more than just local. They are part of managing the growth within a wider housing or labour market or journey to work area. Therefore, they are the logical vehicle for making the final decisions about new towns in a way that takes account of the local view set within a local context and reduces the need for central government involvement in the final decisions that are taken. Obviously, there needs to be some form of audit at that level, but not for the Government to have to get into detail. I think that the Government would find it a relief not to be responsible for that level of detailed decision-making that I think has to be there.

The other thing is that it (an SDS) also provides a vehicle for managing a new town over a period. New towns are generational decisions. You start off with a view about scale. You need to keep that under review. That is what happened with all the successful new towns. They have been rethought, expanded and taken further. Again, it provides that vehicle for doing so. Places that have had that strategic context within SDS have not only allowed more local involvement in those decisions but also kept it under review and, as I said, in one case said, "We have gone far enough. We do not need any more".

Maurice Lange: I completely agree with everything that Vincent just said. If you look at the way that other countries do strategic planning, it is typically done regionally, so at a level between national level government and local level, which manages the different interests at play at different geographies. The only potential constraints to delegating all new town responsibility to strategic authorities might be the boundaries of those authorities, and when they do not match up with the functional economic geography.

You can imagine the Greater London boundary is smaller than the area that it affects economically, and strategic decision-making might be difficult when you have conflicting interests between strategic authorities on the boundary of London and London itself. That might require some recourse to a nationally co-ordinated programme. But I completely agree with Vincent: normally a regional level strategic authority would be the authority responsible for land allocation and reallocation for urban extensions, and so on.

Steve Quartermain: A couple of things. The planning system needs a process for bigger than local thinking. That is important. Like the others, I welcome the reintroduction of some sort of strategic planning process. I have argued in the past that you can have strategic planning without a strategic plan, but the duty to co-operate is an attempt to get people to think bigger than local.

However, I can see the benefit of a specific strategy, given the opportunity for a transparent, open, inclusive approach to better planning. Those strategic spatial strategies will give the opportunity to look at the distribution of housing and housing numbers, so you can expect a reallocation of the specific numbers that local authorities may have to deal with now. It is not just about housing. Commercial developments and logistics can all be dealt with. Transport planning, big-ticket issues, such as climate change and BNG, could all be dealt with through a higher-level strategy.

I want to highlight the benefits, though, of digital planning. Digital planning tends to be seen as driven by a process of making development management decisions quicker and more efficient. There is nothing wrong with that. We can have some of that and that is a good thing to have. There is also across the country data held on all planning-related matters. That data is there relating to land use. We have, in effect, a national plan on our computers now. If you all have a mobile phone, you can pull it out and pull up Google Earth. We have this access to information already and there is an opportunity for us to be able to better co-ordinate the use of that data to look at the bigger local planning issues, to not only model the impact but to plan what is required to make them successful.

I mentioned the redistribution of housing numbers through a spatial development strategy. I also want touch briefly on what I see as a potential issue that needs to be resolved with the current approach. On the task force looking at new town locations, it is clear from the Government's statements that any numbers that come about from the new towns are additional to the standard methodology numbers that most people have asked to plan for in their local plans. I understand why that might be the case because large-scale developments take a long time to build out. As Vince said, they are generational things. They are going to be more than five years, so it is not necessarily going to contribute to your five-year land supply, but the current NPPF, at paragraph 77, already allows local authorities to plan for large-scale development. It sets out in quite detailed criteria what it would expect, including the social impact and the design quality—what would come from a new town.

On the one hand, you have local authorities which can already plan for new towns and have a criteria set out in the NPPF, and presumably those numbers would count towards their five-year land supply if they can have a trajectory that shows delivery. On the other hand, you have new towns that are going to potentially come through a task force that would not.

It strikes me that that does not make sense and while I do want to guard against the fact that local authorities might just dump all their

housing into a new town that never happens—and you have to be careful that that is not the outcome—at the same time a sensible approach would allow some of the housing figures to be accommodated in a potential new town in a plan, which may be 20 years in its period, which is subject to a five-year review. So, if it is not working, you can review it and change the policy. That is the idea of a review. I think that that would allow wider political buy-in for the idea of large-scale developments across wherever that they are proposed.

Finally, let us take as an example—and I think Lord Porter referred to it earlier—London. If London is going to suggest that it needs to export some of its housing figures to surrounding areas, whether that be new towns or urban extensions, I would guess that the Mayor of London will want some of those figures to count against his target, because there is no way he is going to meet his target within London at present without that sort of approach. That is something that would just make for proper planning.

Lord Bailey of Paddington: Spatial development strategies: whether they are expected to be successfully implemented or not, given the shortage of planning skills in the public sector and the fact that many local authority plans are out of date, do you think they are going to be effective? If I start with Vincent: do you think the delivery of them will be effective, bearing in mind that local authorities do not even seem to have the expertise to develop—

Vincent Goodstadt: New towns, the delivery of new towns?

Lord Bailey of Paddington: Yes, the delivery of a new town but a spatial development strategy as well.

Vincent Goodstadt: My experience is that where you have clear policies backed by government and resources, authorities and the system will gear to do it. The issues you pose are obviously of concern, but the early new towns did not have massive resources. I was delivering through private sector housing 2,000 houses a year in a small town with a team of three or four of us. If you scale your system up, you are given a brief, you are given the thing, you can deliver it. That does not mean that the concern you have is not genuine, because it is, but I do believe that it would.

The other thing is that on a professional basis—and I say this as a personal one—you may have sensed that I have experience at more of a strategic national and international level. I went to work for a new town because I wanted to experience delivery. I wanted to know what it felt like to get a programme and be told, “You have to deliver, and your job is on the line” if I did not deliver 2,000 houses a year, which for a small town is quite a lot, and taking it from compulsory purchase right the way

through to final sign-off. I did it because professionally it was an enormous experience. For me it was like doing another degree, if you understand what I am saying. I think the very nature of them will actually attract people.

Steve Quartermain: I agree, and it is such an opportunity, is it not? In the past, the planning profession has not always been talked about in a positive light. We have been talking about it as enemies of enterprise, which I have never understood because planning is all about making things happen, getting things to work. I went into planning to make things happen, to make life better. This is such a career opportunity. For any people who are currently thinking about going into the planning profession, the idea of being involved in a new town, creating places that people want to live in—this is why we go into planning in the first place. I agree with Vincent: people will rise to the challenge.

Lord Bailey of Paddington: Let me pose a slightly different question and I will start with you, Vincent. How long do you reckon it will take spatial development strategies to have an impact on the planning system in general and new towns in particular?

Vincent Goodstadt: The experience I have had of starting from scratch, and people are starting from scratch, was that it has impact within the first three years. The example I am citing is probably one of the most successful: the establishment of Strathclyde Regional Council from square one, when there was no strategic spatial context, where within three years it was already starting to influence decisions. This goes back to your point, Steve. It produced what was called a regional report. This was a non-statutory document but actually endorsed by Ministers, which set out the priorities that set the agenda, and it did that within the first year.

By doing that, it got things in place that then allowed the due process of statutory planning to take place, but it was already biting. I talked about the de-designation of a new town. That was one of the things. It removed 17 peripheral road schemes that were never started, which were going to divert development out and so on. So, by having a system that is really focused, setting priorities using a non-statutory vehicle but with government backing, it had impact. So there are ways of doing it. If there is a will there is a way. That is my experience.

Lord Bailey of Paddington: My final question—and Steve may want to speak to this—is this move towards strategic planning welcome and how might it affect the delivery of new towns? Are planners countrywide saying, “Great, we are actually getting a strategic plan now. This will help our entire profession”? Are they saying that this will be a positive element in delivering these new towns?

Steve Quartermain: Yes, absolutely.

Lord Bailey of Paddington: There is nothing like a definitive answer. Thank you very much.

The Chair: Very succinct, very helpful and a good place to now go to our last question, actually, which is on national spatial planning. I am going to ask Lady Warwick and Viscount Younger to hammer away at those.

Q90 **Baroness Warwick of Undercliffe:** Welcome to our panel. It has been a fascinating session so far. All of you have focused on the need for clarity of policy, but I am slightly confused, when we are talking about spatial strategies, whether we are really talking about regional or national. One of the things that has come through in quite a lot of our evidence is that one of the big problems, particularly for a national project, but any kind of development project, is the unco-ordinated nature of government policy. It is such a general criticism in so many of the reports that we do, but one of the interesting things, of course, is that the Government are in the process of producing a whole range of strategies and each department is producing one. We estimate there must be about six national strategies coming out from different areas of public policy.

Do you feel a national spatial strategy is an essential component to fulfilling the Government's ambitions for housing and growth, specifically in new towns, and perhaps you could say something about the benefits that you think that might provide? But, if you do not, what alternative framework might there be to develop a national project along the lines that the Government clearly appear to intend? Mr Goodstadt, you worked with Lord Kerslake and one of the recommendations from his report was a national spatial strategy. Perhaps you could kick us off.

Vincent Goodstadt: The answer lies partly in something Steve said, which was we do have a de facto national spatial strategy. If you put together collectively the decisions that have been taken, they end up with a pattern of development that is actually geared around sustaining the role of London, reinforcing the golden triangle in terms of higher education, in terms of where housing goes, in terms of the trend-led housing allocations, and that is a pattern of development that is reinforcing inequalities, which is why Lord Kerslake was particularly concerned about it.

The problem is that strategy is not explicitly set out anywhere, you have to put it together. Other countries benefit from having greater clarity of where things fit together. They do it in different ways and it can be in different forms, but the point is it should be transparent and clear.

In terms of what a national strategy should cover, there is a concern that this represents an even greater top-down approach. In fact, in many ways it is the reverse because it allows clarity about what needs to be decided at national level and what can be left to a local or subnational level. What items need to be taken such as the scale of the economy and its key drivers, which can be unpacked regionally, and having a consistent view on that. They are about the core infrastructure that holds all the regions and cities together, because we are very compact. We are one of the global mega regions economically⁸, but probably the most compact of them, compared with Shanghai, Boston, Washington and so on. We are close together in which the infrastructure of regions is shared. It is not like Spain, where people are separated, or France where there is a vast distances in the regions.

It is also—and this is where it affects new towns—identifying what might be seen as the flagship initiatives of the nation, which require special funding, special delivery vehicles, which are part of that driving of the economy and the change. It is in that sense I can see new towns being identified, or the need for them, in a national plan, and I think that what the national plan would do if we had one, a national spatial framework—I say “framework” rather than something that is a kind of zoning document, which is very binding but indicative of directions. First of all, it is what we have touched on: setting a wider context for decisions that are being taken locally and thereby providing confidence for investment in them.

I have touched on the work that the Productivity Institute has done on the difficulty of accessing private finance to fund things in the regions of England. You do not have to have the same level of return on investment. What they are showing is that, if you invest in the regions, you actually have to have a greater rate of return for the same product as the south-east. There are some anomalies in this. There is the issue about encouragement for investment, in terms of the local people. It is actually giving them the confidence that, if they act, they are acting within a national framework, and they will not be undermined. They will be supported in it.

That raises questions about funding and the way we structure funding. Without going into those now, I think a national framework would actually help anyway. In terms of new towns, which you are specifically looking at, I see them as being part of those, what I call, flagship projects of national importance—les grands projets, as the French would call them.

Maurice Lange: I would make similar observations to Vincent. A national framework would set the agenda. Most other countries have

⁸ Unpublished reference Goodstadt and Yaro, ‘Discussion Note on Mega-Regions’.([link](#))

them. We have things such as the NPPF, and we have other national strategies, as you have said. When it comes to whether or not that would be the vehicle through which you designate new towns, I think that if they are large flagship things, especially if they cross the boundaries of strategic authorities, yes, that could be a way that you do that.

However, if you look at the way that most urban extensions in other countries are organised or designated, and more specifically saying, "This is going to happen in this way and this land is going to be used for that", that will normally happen at a subregional level. It would not be for the national authority to say where there would be this urban growth. It would be for the national authority to say, "This is where growth is expected in broadly these numbers", and then that would be worked out at a subsidiary level. The strategic development strategies are more likely in the long to medium term to be the vehicle for designating urban extensions in new towns.

Vincent Goodstadt: I agree with that. It is not so much being site-specific but going back to the point that at a national level you already have the Oxford-Cambridge growth corridor, in which the new town of Milton Keynes lies, and its future development. There is an argument that we actually need a northern growth corridor, an equivalent one, of the Manchester/Liverpool/Leeds axis, which would be a vehicle in which new towns such as Warrington or Crewe might actually form a part.

Steve Quartermain: The answer is, yes, we should have one, and I agree with the others. It does talk about a broad approach, anticipated areas for growth and the like. You make a very good point, Lady Warwick, about the fact that there are already national strategies emerging from various departments, and the Government should try to co-ordinate that. There is a reason for having one. It is not just having one because we are the only country in Europe that does not, which is the case. It is not just having one for the sake of it. It is because you do need to co-ordinate the thinking that is coming from other departments that are already thinking about national things. Whether it is a 25-year environmental policy or whether it is an industrial policy, there is a need to co-ordinate this thinking.

I would reiterate the fact that digital information already gives us access to some of this thinking and the huge prize is this national perspective, but I will end by saying it is not a prerequisite to delivering outcomes that we want. You still can deliver urban extensions and new towns. You can do prosperity for the country through spatial development strategies and local plans, if those are the tools we have to work with. While I would advocate that a national plan would be a good thing to have, without it we can still deliver national growth.

Baroness Warwick of Undercliffe: Thank you very much indeed. Perhaps I can hand over to Viscount Younger.

Q91 **Viscount Younger of Leckie:** What we have just heard is fascinating and even with you, Steve, who gave a fairly firm yes to having a national approach very much, there was a little bit of caution and also from Vincent, it is fair to say.

Perhaps I can press the three of you a bit further because, as I see it, from what I have heard, the word “essential” is what I would use because is it not the case that the Government have a bit of a dichotomy at the moment as they have the need—and it is a laudable need—to build 1.5 million homes within five years? That has to be done, and therefore the assumption is that that will be done or, hopefully, it will be done or could be done. The question is: where are those houses going to go, 1.5 million homes? Then you have the new towns as well. The new towns and the building will be a lot later than that, maybe decades later than that. My point is that it is putting the cart before the horse. Surely you want the 1.5 million homes or some of them within the new towns or as part of that.

Just to finish my question, I was struck by what you said earlier, Maurice, about being led by the economics; in other words, where you build is determined by the economics and businesses and where the businesses are, I think is what you were saying. Equally, I think all of you made the very good point about transport links, demographics. One of the things that has not been mentioned is water. The question of where you might build new reservoirs has not been raised this morning. My real point is—we probably need to press this a bit further—that surely we do need a national spatial plan.

Vincent Goodstadt: If I gave any hesitation, it was not intended. I think that without it we are building blind. The reality is we are inconsistent in the decisions we are taking and we have consequences that we are all saying we do not want.

Going back to Lord Kerslake, Lady Warwick, when I sat down with him and discussed setting up the commission, my original position was that we call it UK2050, and Bob in his normal way cut through it. He said, “I want it to be called UK2070 because the problems we have have been 50 years in the making. It is going to take a long time to sort, but we have to act with urgency now”. Part of that is getting that integration of thinking across the board at a national level to enable people to do what they want locally more effectively and with confidence.

Maurice Lange: I suppose when it comes to building 1.5 million homes, we already have a mechanism by which that is distributed across the

country. We have housing targets that are based on a formula of, say, 0.8% of existing stock plus an unaffordability additional, and so that distributes towards places of higher unaffordability generally. Then the question is whether or not we have the planning system more generally, rather than just new towns, that will be able to respond to those housing targets. Some would say that our current planning system does not do enough proactive spatial planning, and it is more discretionary than you see in other countries, which will be an impediment to reaching those goals more generally.

New towns do fit into that. I agree with Steve that any houses that are delivered through a new town mechanism, it makes sense that that would count towards the target of the place that that is in. It also makes sense that we are moving towards a world where those housing targets are allocated to strategic authorities to then allocate within the constituent local authorities, as opposed to at a local authority level, which is how they are done now. Different authorities have different potential for growth. They face different constraints in terms of topography or existing built-up areas, and so on.

Steve Quartermain: As we all know, there are so many moving parts to this agenda: you push it down here, it pops up there. The Government have shown a readiness to intervene and a determination to try to get things done faster. For me, one of the big wins of a national strategy would be getting a common and understood narrative that is behind what we are trying to do and why we are trying to do it.

One of the things that is missing at the moment is that that narrative is sometimes not clear. It is not just the community and members of the public who do not understand why they need to build houses in an area that they think is already full. It is about politicians who do not understand why they need to have a local plan, what a local plan does and how that contributes. A national strategy would give the opportunity of setting out a very clear narrative: "This is what we are trying to do. This is why we are trying to do it, and this is when we are trying to do it by".

Quite apart from the potential of having a spatial understanding about where things might go, if nothing else, having a clear narrative about what we are trying to do might enable people to swing behind that objective and understand why it is we need the houses, what it is we are trying to deal with in terms of temporary accommodation and overcrowding, what it is we are trying to do about trying to get the economic growth of the country. Let us have that in a national strategy.

The Chair: I am bound to ask, gentlemen, before we release you: where has the resistance to a national strategy come from? What is there in the DNA of Governments that have made this not a popular option over the

past 50 years? You might say that the RTPI was the last attempt we had and so the Town and Country Planning Act 1947 was the last attempt we had at a national planning strategy.

Steve Quartermain: The balance has always been the debate between what is top-down planning and what is bottom-up localism planning? There has always been an argument between whether or not it can be driven locally or whether it needs to be driven nationally, and what we tend to find is it fluctuates, and regional plans come and regional plans go, and it depends on the mood of the Government. For example, if you track the role of regional planning over the last 50 years, you can see how it comes in and out of the system depending upon the political appetite we are in. That is the best answer I can give you, Chair.

Viscount Hanworth: We have heard that the various ministries that participate in housing development are insufficiently co-ordinated; in other words, they are often at cross-purposes. I think there has been a slight hint of that from some of you, but can you comment on that?

Steve Quartermain: The number of Ministers that have been involved?

Viscount Hanworth: The level of co-ordination or the lack of co-ordination among various ministries involved in housing development.

Steve Quartermain: What do I say? In my 12-year career as Chief Planner, I worked for seven Secretaries of State and 22 Housing Ministers.

The Chair: Do either of our other two witnesses have any comments on the question of why we do not have a national strategy?

Vincent Goodstadt: It is not actually technically difficult. That is the first thing. The issue arises from the need to have a clear mechanism whereby departments are accountable for the wider impacts of their decisions on other policies. That is why in the report, in our recommendations in UK2070⁹, we talked about this interdepartmental body. Now that was something that Lord Kerslake was very keen on and it came from someone who knew how the system worked, so it was not a vague aspiration. Linked to that, we talk about environmental impact assessments on policies, or climate impact. There needs to be just a simple thing called a spatial impact of policies from any department.

If there was some sense of accountability for understanding what it did for different parts of the country, it would start to make people change the way they think about these issues. Linked to that is what we do not have—which is something that has been advocated, and devolved

⁹ Refer Make No Little Plans: Changing out Institutions and Processes ([link](#)) and Go Big Go Local Section 5 Full Devolution ([link](#))

countries are moving towards it—are clear national outcome frameworks. This comes back to the narrative. The narrative is not just words; it is actually linked to specific outcomes. The Scottish one is overcomplex in terms of numbers. It can be simple, and we have suggested how it can be done. The Welsh one is more direct, but it is only for social welfare issues. However, they are moving in that direction and if we had those two things—a spatial impact assessment requirement and a set of outcomes—you would start to get a movement and willingness to do it.

The third thing—and I touched on it—is being clear about what a national spatial framework would concentrate on and, by definition, therefore, what it would not do, and what it would leave to the regional and subregional.

The Chair: We are going to have to leave it there if you will forgive me. May I just say how nice it is that you recalled the work of Bob Kerslake? We miss him very much, actually, in this House and in the contribution that he made and was capable of making for many years to come. It is a very sad loss and it is good to remember the work that he inspired with you, Vincent.

Vincent Goodstadt: I was very close to him and it is quite upsetting.

The Chair: Yes. What we have learned this morning is the incredible importance of integration of understanding national geographies as well as local geographies, the value of different sorts of mechanisms and so on, some of the really hard problems of delivering at local and regional level and the need for clarity. As you said: clarity of narrative, clarity of purpose and expectation and clarity of outcomes.

We hope that next week, or whenever we get the task force report, there will be a clear understanding of why new towns are going to be so critical, where they will make their unique contribution, how they fit into national economic and development strategies, as well as housing, and that nobody will be in any doubt that the determination of location, which will come from that, will be based on clear criteria. You have helped us enormously to understand what we should be looking for, actually, when we do see this report, the recommendations and locations.

I thank you very much indeed. Keep in touch with us and if you want to send us anything, please do. We are voracious in our appetite for learning. Thank you very much indeed. I declare the meeting is now closed.