

Resourcing smarter housing growth in the UK

The profusion of reports and recommendations on how to ‘fix’ the UK’s broken housing market, and double housing output makes it hard to see a practical solution. Following up The Academy of Urbanism’s response to the Housing White Paper, which focuses on improving quality, Nicholas Falk AoU illustrates what is possible, given the will¹.

The idea for ‘Smarter Urbanisation’ is to develop places that are readily connected without a car, with a diverse community, a distinctive character, and measures for climate-proofing. These are the four themes of the Cambridgeshire Quality Charter for Growth, and the results are now visible in the Southern Fringe of Cambridge around Trumpington, or the stunning development by the University at Eddington.

But how do we replicate quality beyond isolated experiments and go to scale, especially in areas where the housing market is far from buoyant, such as Stoke or Wisbech, and what should the government be focusing on?

Inspiration

Many of the most inspiring solutions have been documented in The Academy of Urbanism’s European City of the Year award. They include not only German speaking cities such as Aspern Seesdadt in Vienna or Rieselfeld in Freiburg (near the border with Basle in Switzerland), which draw many visitors, but also the hundred or so urban extensions developed in the Dutch VINEX programme such as in Eindhoven (the site of the 2019 AoU Congress).

Then there are the Southern French ‘stars’ such as Montpellier or Bordeaux, and the extraordinary regeneration successes of the Basque cities of Bilbao and San Sebastián in Northern Spain. But we could also learn from ‘smart’

cities elsewhere such as Singapore or Portland, Oregon. The challenge in all cases is to redirect the economic forces that have produced unacceptable disparities of wealth, congestion, and incidentally made England one of the fattest countries in Europe, to create smarter or more intelligent forms of growth.

The technical solutions are quite easy to specify. What is difficult is securing collaboration between different professions and sectors over time. I have called this the ABC of Smarter Growth – Ambition, Brokerage and, above all, Continuity – over the 15 or 20 years it takes to build new settlements in a report based on case studies². The secret is finding fresh sources of money or capital by unlocking neglected assets, such as waterways or old buildings and joining forces with others, such as universities or community initiatives.

Unresolved issues

What the success stories have in common, and what we in the UK have largely lost, comes down to four politically contentious but vital issues where new capacity and institutions are required:

1. How to revive strategic planning to determine where, and where not, growth (or regeneration) should be focused? The UK did this after the Second World War with New Towns and Comprehensive Development Areas.



Trumpington, Cambridge

2. How to assemble and prepare land in locations where there is both the potential demand and infrastructure capacity, existing or planned (as in Warrington and Ancoats in the North, or Peterborough and London Docklands in the South)?
3. How to mobilise long-term and patient finance to install the local infrastructure that would open up sites for a diversity of builders (as local authorities, such as Barking, are starting to do again)?
4. How to fund and organise the stewardship that is essential to creating and maintaining communities with a mix of people of all ages, incomes and ethnic backgrounds (as in Letchworth Garden City and some development trusts, such as Coin Street)?

Better pathways

We can learn most from the European cities that have largely avoided house price inflation, as the following examples illustrate:

- In Germany you can learn not just from leading university cities, such as Freiburg and Tübingen that have pioneered cooperative approaches to development (BauGruppen), but also from the cities that have suffered most from industrial decline, such as Dortmund (with the restoration of damaged land in Emscher Park), or in the East German city Leipzig



Top: Ørestad, Copenhagen © News Oresund / Flickr
 Right: Port Marianne, Montpellier

(through its policy of Integrated Urban Development and the *Leipzig Charter* published in 2007). There, local authorities, not private landowners or developers, take the lead in almost all cases, pooling land in multiple ownerships and even flooding former open cast coal mines to create a lake district.

- In **The Netherlands** you can see how the aims of Labour's Sustainable Communities Plan were successfully implemented in building almost a hundred VINEX extensions to existing towns with populations of over 100,000. The Dutch Building Rights or First Choice system enabled local authorities to pool land and then secure a diversity of house builders, including around 30% affordable housing, some of which is for sale on condition that any uplift in values is shared with the local authority. Again, control over land has been key.
- In **France** a straightforward planning system enables cities to grow around rapid transit lines, as in Port Marianne in Montpellier, or to regenerate under-used areas, using ZACs (Zones d'Aménagement Concerté). Local authorities are backed up by the huge state investment bank, Caisse des Dépôts, which employs some 33,000 experts and finances much of France's social housing. Interestingly deposits for buying a house help provide the bank's capital. French cities also benefit from the Aménagement



Transport, a charge on the payrolls of those employing more than ten. This helps explain why so many towns and cities have built trams and, as in Nantes, used them as the spines of new urban extensions.

- In **Scandinavia** many of the best examples of saving energy and water are due to local authority leadership, which includes acquiring land on the edge, as in Aarhus in Denmark or former military land as in Ørestad in Copenhagen. Old estates and new settlements have been developed at the same time, as in the port city of Malmö in Sweden. Cooperatives play a major role in managing 'intentional communities', as those who went to the AoU Congress in Aarhus may have experienced, and are particularly important in overcoming isolation among older people or new immigrants.

All the examples mentioned here have had to reinvent themselves. For example, people forget that Copenhagen lost industry and suffered high unemployment before a far-sighted municipal engineer started to take space away from cars, and restore civic pride. Where over a third of people cycle to work, people are not only happier and healthier, but they save money too. As Britain starts to rethink its role in the world economy, smarter urbanisation could hold the key.

Regaining our common wealth

Progress should be judged not by a few architectural icons but by the transformation of whole areas, attracting people to live in areas that were once scorned and abandoned. This is the true story of Bilbao's renaissance, in which the Guggenheim

was an incidental act on a stage set by the city council taking over the redundant shipyards for not paying their taxes. Equally important, the city invested in building a high quality transit system, all funded with loans that are being repaid out from rising property values and taxes. The contrast with much of South Wales or even Bristol is disturbing, as is the role played by the cooperative group Mondragon in creating good jobs out of existing industries like the railway manufacturer CAF (now supplying trams to English cities).

While there is no simple solution, local authorities need to take four steps to rebuild our 'common wealth':

- **Spatial growth plans:** Instead of scattering planning permissions around, investment needs to be concentrated where there is both potential demand and infrastructure capacity, while avoiding floodplains and areas of natural beauty. The process can be assisted through GIS-based mapping, as for example URBED did to win the 2014 Wolfson Economics Prize by showing how to double the size of Oxford as Uxcester Garden City. Once property values are mapped it is quite easy to show areas of land that are under or poorly used.

- **Land assembly powers:** Plans are worth nothing without the capacity to implement them. A good start can be made by pooling public land. In *Capital Gains: a better land assembly model for London*³, we show how compulsory purchase powers should be used to assemble sites in advance of the uplift in land values from improving infrastructure. Councils could make major advances simply by joining up development with transport. Of course it would help to revise The Compensation Code, but a start could be made right away.

- **Cheap finance for infrastructure:** Once land values are harnessed, it becomes feasible to borrow the funds needed to upgrade local infrastructure, installing the roads and services, and building the schools and services up front. Private finance could be raised through bonds, incentivised by grants or soft loans. The debt can be serviced and repaid by selling off plots for development within an agreed framework.

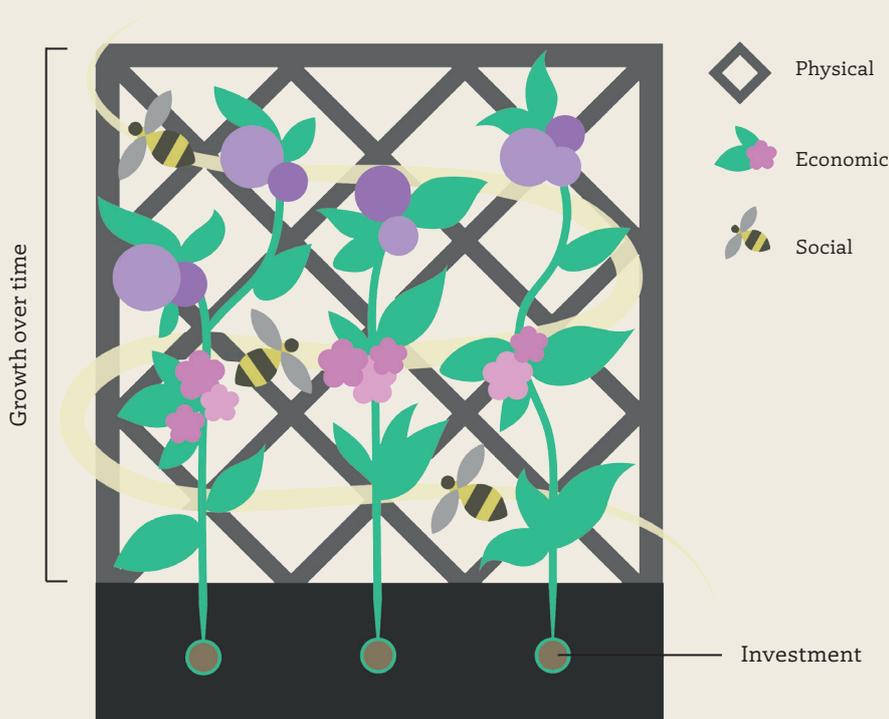
- **Frameworks for balanced incremental development:** Finally, to make sure the process is equitable, efficient and effective, local authorities need to agree

development frameworks that set the basic rules that fix land values. These include plot ratios and coverage, as well as the ratio of affordable and social to market housing. The ratios should reflect local circumstances, not national policies, and should precede masterplans. For Uxcester Garden City, David Rudlin AoU and I proposed allocating half the land to a community foundation, which in turn could develop and manage country parks, or lakes to hold flood water. Milton Keynes Parks Trust provides a good example.

The tide of interest in tackling land values should be used not only to build new settlements in growing areas but also to give communities a stake in areas that need regeneration. Hopefully the experience of the Academy's Urbanism Award winners can plant the seeds for a fresh crop of winning schemes.

Dr Nicholas Falk AoU is executive director of the URBED Trust

URBED's triple helix model



1. Jon Rowland et al, *Going to Scale*, The Academy of Urbanism, 2018

2. Barry Munday and Nicholas Falk, *The ABC of Housing Growth and Infrastructure*, The Housing Forum, 2014

3. Nicholas Falk (with Pete Redman, Dentons and Gerald Eve) *Capital Gains: a better land assembly model for London*, GLA 2018



Uxcester Garden City, Oxford which shows how the city would grow at the edge around an upgraded transit system, avoiding areas of natural beauty or floodplains