

THE ACADEMY  
OF **URBANISM**

# Better housing for the 21<sup>st</sup> century

A response to the UK government  
housing White Paper

August 2018

---

## The Academy of Urbanism

The Academy of Urbanism is a politically independent, not-for-profit organisation that brings together both the current and next generation of preeminent urban leaders, thinkers and practitioners.

We embrace city management and policy-making, academic research and teaching, development planning and design, community leadership and urban change-making, arts and cultural development, infrastructure and engineering, property law and management, politics and media.

We work with places to identify and reinforce their strengths, and help them recognise and unlock greater success.

Through our events, activities and programmes we draw out and disseminate examples and lessons of good urbanism. We use the evidence we gather to promote better understanding of how the development and management of the urban realm can provide a better quality of living for all.

The Academy of Urbanism  
70 Cowcross Street  
London  
EC1M 6EJ

[info@academyofurbanism.org.uk](mailto:info@academyofurbanism.org.uk)  
[accounts@academyofurbanism.org.uk](mailto:accounts@academyofurbanism.org.uk)  
+44 (0) 20 7251 8777  
[@theAoU](https://www.instagram.com/theAoU)

---

## A message to the UK government in response to Fixing our broken housing market, the housing White Paper of 2017

This document is produced by The Academy of Urbanism (AoU) in response to the consultation on the White Paper, *Fixing our broken housing market*. It is based on evidence, including discussions prompted by the Academicians of The Academy of Urbanism, as well examples of good practice drawn from places assessed as part of the Academy's Urbanism Awards.

The awards have been recognised internationally and are based on a set of criteria that reflect not just spatial strategies but also economic regeneration and local community initiatives to improve the built environment. Residential is the most common land use in most of the places studied by the AoU and the way that housing is developed affects all aspects of an urban area, from the composition of its community to the success of its high streets and the safety and life of its public realm.

While the aspirations of the White Paper are laudable, the quality of new housing in recent decades has been largely disappointing, despite a wealth of good advice. Publications and advice from Design Council CABE and other agencies, together with assessment systems such as Building for Life, have shown that sustainable, equitable and quality neighbourhoods can be created. No one should be left in any doubt about as to what we want to achieve. But we still largely fall short of these standards, even when everybody involved has the best intentions.

Of the 180 places selected and assessed as part of the Academy's awards programme over the past 12 years, only six are comprised principally of new housing. This suggests that good new housing is the exception, rather than the rule. However, we believe that these six examples, complemented by others from places we have assessed, can be used as the starting point from which to deliver better housing for the 21st century.

To do this we must tackle the problem at its roots: Our planning system is dysfunctional, the industry is dominated by a small number of housebuilders, and our land is overpriced. Quality and value will remain elusive unless these issues are addressed. If we are to fix our broken housing market, it must be not just about substantially increasing output, but also creating many more great neighbourhoods where people would choose to live, not just have to live. This would meet the government's objectives, but would also secure investment that benefits all in the long-, as well as short-term.

In considering the White Paper, the Academy took the view that its questions do not recognise the implicit links between different aspects of fixing our broken housing market. The Academy appreciates the interdependencies of

---

---

all aspects of urbanism and the challenges that this places on policy-making. It also recognises that to resolve these complex issues requires a long-term view and strategy. It is clear that housing is fundamental to addressing these issues. This document therefore reformulates the White Paper's questions to reflect an integrated approach to resolving the barriers to improved housing design, production and delivery.

We believe that our questions and the responses provide a more holistic way of looking at the challenges. By starting with spatial growth plans, using development corporations to mobilise land and infrastructure investment, raising private finance through bonds and various forms of trusts, we believe that serviced sites can be provided for a multiplicity of builders to cater for diverse markets.

A former housing minister acknowledged that "Housing ministers over the years have come out with documents or bills, and the truth is none of them are going to make much difference...And I don't suppose this [White Paper] will make that much difference either". But it could. The lessons of success from the UK and Europe have convinced The Academy of Urbanism that now is the time for boldness, long-term vision and pragmatism.

Since preparing this response we have finally seen a realisation that housing is more complex than just handing the problem to the private sector, or initiating short-term fiscal adjustments. In the light of the most recent government budget, some aspects promoted by The Academy of Urbanism, such as capturing land value uplift to provide infrastructure, and creating an improved role for local authorities, appear to have been heard. However, there is a long way to go. The Academy will continue to fight for better housing for the 21st century in a better urban environment through its principles of urbanism. The expertise of the Academy stands ready to help.

#### **On behalf of The Academy of Urbanism**

Steven Bee  
Esther Caplin  
Dr Nicholas Falk  
Stephen Gallagher  
Jon Rowland (Report Chair)  
David Rudlin (Chair of The Academy of Urbanism)  
Janet Sutherland

2018

---

## Tackling the roots of the problem

Through the National Planning Policy Framework (NPPF), the UK government aims to meet a number of policy objectives while greatly increasing the number of homes built each year. However, the AoU believes that the White Paper fails to properly address people's needs and aspirations by skirting around the fundamental challenges such as land ownership, quality and design, delivery mechanisms, institutional conservatism and capacity – whether on the part of mortgage companies, councils, developers or their advisors.



The Freiburg Charter explains how cities can grow in ways that look good, secure community support and are truly sustainable. Community-based projects such as Ashley Vale in Bristol are showing the way in the UK as are schemes to renovate council estates such as Byker in Newcastle/Gateshead.

There is growing agreement that building the housing we need and creating a more sustainable and balanced society depends on corresponding investment in infrastructure such as transport and schools. The original 1947 planning legislation recognised that the uplift in value from agricultural to development land should be used for that purpose. New towns and Urban Development Corporations, such as for the London Docklands, employed this development model and were set up to provide major housing schemes, jobs, social facilities and physical infrastructure. Elsewhere, cities that have won the AoU European City of the Year award – such as Freiburg, Rotterdam and San Sebastián – have all established substantial local authority development departments that are able to assemble land and provide advance infrastructure. Much of the housing in Europe has been funded by the uplift in land values, providing serviced plots on which a wide range of developers can build.

The call for more housing requires the provision of social infrastructure such as schools, healthcare, workplaces, housing for those 'just about managing', key workers and those who do not have the ability on their own to gain a foothold onto the housing ladder. So it is no surprise that one of the reasons

---

NIMBYism is so rife is that the volume of house-builders are not seen to be creating sustainable neighbourhoods. The White Paper is quiet on design, yet better-designed neighbourhoods lead to reduced congestion and pollution, and better streets and places cut anomie – mental and other illnesses – which in turn reduces cost to the NHS.

Few local authorities have the means and capacity to lead major housing development or tackle spatial and social inequalities. They lack agreed spatial growth plans and are compelled to react to whatever schemes are put forward after a call for sites to meet Strategic Housing Market Area Assessment (SHMAA) or Strategic Housing Land Availability Assessment (SHLAA) requirements. Hence it is essential not only to rebuild the capacity for proactive planning through existing but underused powers, but also to make available the necessary finance. The £25m put forward in paragraph 2.16 of the White Paper is not going to put right the loss of local authority capacity over the last decade. Something more radical is needed.

The challenge therefore for housing is to begin to tackle nine major issues identified by the Academy. These are explored, with examples of practice, in the following sections:

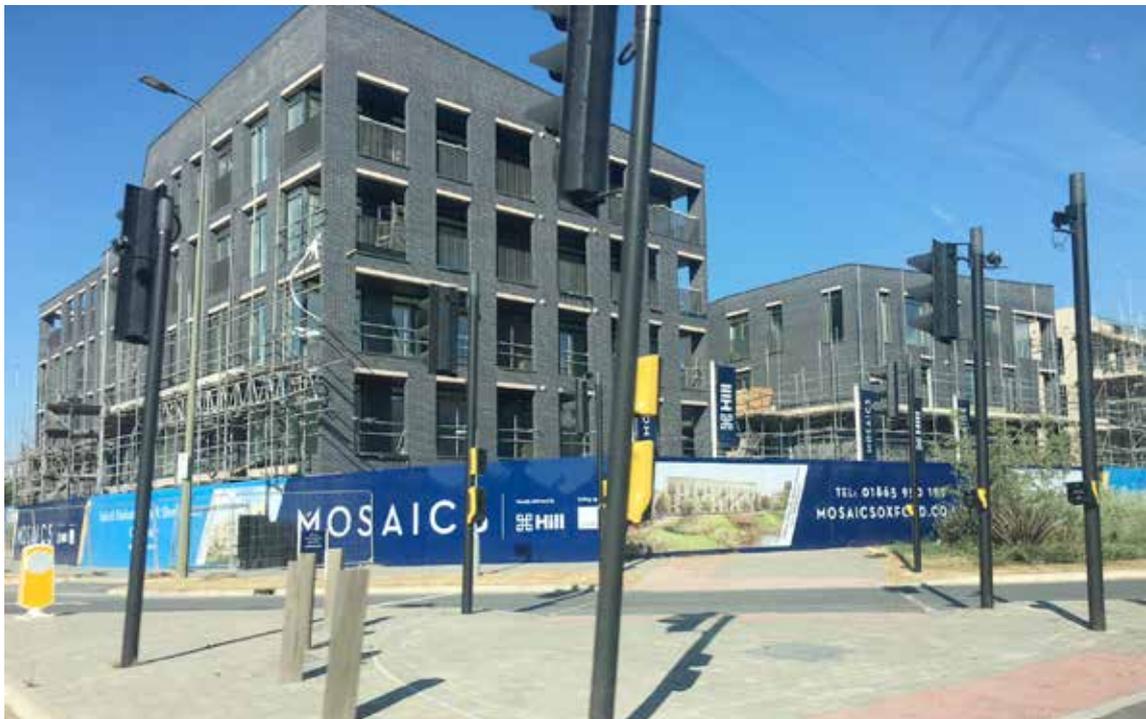
1. Developing in the right places
2. Reducing land speculation
3. Raising design standards
4. Opening up new markets
5. Upgrading skills
6. Reforming strategic planning
7. Building faster and better
8. Extending the choice of players
9. Designing for the future

---

## Developing in the right places

● The White Paper suggests amending the NPPF to make it clearer how the green belt might be reviewed if the need is properly justified.

This is part of a much larger question around the issue of where new homes should be built. Should we safeguard the green belt as being sacred, or re-designate part of it for development? And if so, under what conditions to meet the legitimate concerns of the countryside lobby and those living nearby? What mechanisms can be used to procure and monitor the quality of development and ensure that the original objectives are actually achieved?



### BARTON PARK, OXFORD

Developers: Grosvenor /  
Oxford City Council  
Masterplanner: Terrence  
O'Rourke  
Phase 1 Architects: Pollard  
Thomas Edwards / Alison  
Brooks

A joint venture between developer Grosvenor and landowner and planning authority Oxford City Council, complimented by a forward-thinking design team. This scheme, which is being built at the time of writing, is an example of development in the right place. It has been designed to integrate with adjacent communities in Barton, Headington and Northway through a new junction on the A40 and enhanced pedestrian, cycle and bus transport links.

As the largest new residential development in Oxford – it will deliver up to 885 new homes of which 40 per cent will be socially rented, a 10-acre linear park, a sports pavilion with a full size adult football pitch, a primary school and community hub – the scheme is setting standards in the city. During the construction, the scheme has provided significant local employment opportunities (so far over 15 per cent of the workforce were employed locally) and over 10 traineeship and apprenticeship opportunities.

---

### 1.1 Inclusion into the green belt

The AoU considers that in general the green belt should be protected, but with provisos. It suggests a reappraisal so that it forms part of an overall spatial strategy that takes full account of the nature and form of an accessible green belt, the priority of redeveloping brownfield city sites and investment in infrastructure. As the White Paper suggests, much greater focus should be placed on compensatory improvements to the environmental quality or accessibility of remaining green belt land. This is starting to happen in city regions such as Birmingham and Cambridge, where sites such as Cambridge North West have been taken out of the green belt.

### 1.2 Infrastructure

All housing development should be located where infrastructure can support it. Brownfield sites are a priority but green field and green belt land should be considered for development in 'growth areas' – that is, cities with strong economies that would be held back if house prices are unaffordable to local people or if staff have to travel excessive distances to work. The key to making progress is to ensure that the existing community does not feel they are being imposed upon:

## IRONWORKS, LEEDS



Developers: **Igloo**

Architects: **Nick Brown Architects**

The design for this new development of apartments and townhouses in Holbeck, Leeds, references the historic industrial structures that previously occupied the site. Plots will sit around a private landscaped garden and courtyard, which will hide the car parking beneath and ensure that there is active frontage on all sides. This is an example of a city centre brownfield site being brought back into use and providing a range of options for modern city living. Holbeck Urban Village was a finalist of the 2015 AoU Great Neighbourhood award.

---

### **1.2.1 Quality of design and development**

One of the reasons why local people in growth areas such as central Oxfordshire object to housing proposals is that they dislike the quality of development that is currently being built by most volume house builders. Poorly designed and built dwellings, poor masterplans and a lack of strategic thinking have all helped create a climate of NIMBYism that is difficult to overcome.

### **1.2.2 Build capacity**

The winning 2014 Wolfson Economic Prize 'How to Build Garden Cities that are Visionary, Viable and Popular' argued that local support could be secured by building compact neighbourhoods, retaining green space with positive functions and good access between settlements. People are currently being asked to give up their green space for a poor return. The thinking behind this was set out in the report 'Oxford Futures: Achieving smarter growth in central Oxfordshire', and continues to be highlighted by Civic and other societies. The question then is what's in it for the local residents if development such as typical volume-built housing is allowed in the green belt; and a lose-lose situation is then created.

### **1.2.3 Quality charters**

Oxford, for example, is tightly bounded by a green belt that has resulted in a series of settlements poorly connected to the main employment areas, which has led to congestion, pollution, and some of the least affordable housing in the country, as well as losses to the local economy. In contrast, Cambridge agreed a quality charter that laid out the design and development criteria for new growth, which has helped produce new housing as popular as the old including award-winning schemes like Accordia. This included developing in the green belt.

### **1.2.4 Compensation mechanisms – quid-pro-quo**

A neighbourhood plan for a settlement in the Vale of White Horse District Council close to Oxford is suggesting another possible approach. In areas of outstanding natural beauty (AONB), greater care has to be taken in the design of development. Any land taken out of green belt for housing development could be similarly designated and have to meet higher standards. Housing in these areas would, for instance: be carbon neutral or meet Passivhaus standards, incorporating sustainable energy resource efficiency and healthy living criteria; be procured completely differently and subject to design competition and review; be strategically relevant to the growth of the city; and be developed in such a way as to ensure that the rise in value of the land from current agricultural value to development value is ploughed into long-term provision of infrastructure, in other words, 'Green' development in the green belt.

# 2 ●

## Reducing land speculation

The White Paper asks about land pooling and the potential for applying a similar approach to that used in Germany.

The AoU asked whether land should be identified in appropriate locations and purchased compulsorily or otherwise by councils or other agencies to develop new housing and neighbourhoods? Should we be proposing a mechanism for capturing increased land value that would simultaneously reduce land speculation?



### REISELFELD, FREIBURG

Landowner: **City of Freiburg**  
Developers: **Over 120 private  
builders / developers**

An extension to Freiburg built on former brownfield land in which the public sector controlled the process from the outset, rather than responding to the private sector. Land values were frozen at existing-use rates, allowing the uplift in value to fund infrastructure, including excellent transport links to the city centre via a tram. Sustainability has been key in both the development of dwellings and long-term planning of the neighbourhoods – the provision of transport infrastructure has actively changed attitudes to car ownership. This is a truly mixed-use development with safe streets, a wide range of community facilities, connection to nature and a rich texture, making this a desirable place to live. Freiburg was winner of 2010 AoU European City of the Year award.



---

## 2.1 Land assembly

The AoU believes land assembly at the right price is vital. Reforming the Land Compensation Act and enhancing council powers to compulsorily purchase land where necessary would enable the delivery of much more housing and better neighbourhoods. There are examples of long-term joint partnership between public and private sectors, some of which are proving successful, which need to be replicated on a much larger scale. A promising example is Barton Park in Oxford, which is a joint venture between Oxford City Council and Grosvenor Developments.

## 2.2 Capturing uplift in values

There are lessons to be learned from new towns and urban development corporations, which were on the whole financially successful. Capturing the uplift in value can benefit infrastructure investment and help reduce house prices. The AoU believes that the government should not only actively investigate the creation and establishment of mechanisms for capturing increased land values (as may be happening), but make the powers available to local authorities who sign up to some form of City Deal. Councils or other development agencies, such as development corporations, should be able to assemble land on an authority-wide or collaboration basis so that sites with increased land value can help to fund the infrastructure for other less attractive but more sustainable sites.

### NORTH WEST CAMBRIDGE

Developer: University of Cambridge  
Architect: 13 different architects over phase one  
Masterplanner: AECOM

An example of positive collaboration between the landowner / developer and the local authority to create an urban extension to Cambridge for both the benefit of the city and university. It is a mixed-use development with a rich texture and safe, inviting streets, built to high levels of sustainability. The new community will be home to around 8,500 residents and provide much needed affordable accommodation for university staff, as well as private housing, graduate accommodation, research space and a local centre including a primary school, community centre, GP surgery, hotel, supermarket and local shops. Cambridge was a 2010 finalist of the AoU Great Town award.



---

### 2.3 Appropriate mechanisms

All five of the shortlisted candidates for the 2014 Wolfson Economic Prize proposed some form of land value capture to reduce the need for additional government funds. The winning team showed how cities could establish appropriate mechanisms empowered to act as long-term development and delivery organisations. None of this is new, but the government needs to dust down some of the lessons learned from the urban development corporations, community land trusts and other similar agencies to provide cheaper land for infrastructure and development. The key to the success of cities such as Freiburg in Germany, we were told by their long-term director of development prof Wulf Daseking, was being able to acquire major sites on the edge of the cities at close to existing use value, as the values were 'frozen' once the sites were identified for possible development in spatial plans.

#### NEWHALL, HARLOW

Landowner: **Newhall Projects Limited** Developers (of individual parcels): **Newhall Projects / Barratt Homes / Cophorn Bellway / Linden Homes / Galliford Try / Slo Living Ltd** Masterplanner: **Roger Evans Associates** Architects: **Proctor and Matthews / Robert Hudson Associates / ORMS / Alison Brooks / Richard Murphy / Roger Evans Associates / ECD / JTP / Shepherd Robson**

An enlightened landowner took long-term control, set standards and used solid professional design codes and procurement, all of which set the groundwork for a high-quality and sustainable neighbourhood. Each land parcel has been designed by different architects within the overall masterplan and design guidance, which has created distinctive neighbourhoods. Its commercial viability demonstrates that the housing market is more receptive to contemporary and innovative design than the big house builders would conveniently have us believe. The pictured scheme is designed by Alison Brooks Architects and delivered by the Galliford Try Partnership. The uplift in value across the neighbourhood allowed the installation of appropriate social and physical infrastructure. Crucially, housebuilder partners have been selected not just by tender value but also by design quality. Hulme was a finalist of the 2017 AoU Great Neighbourhood award.



---

# 3

## Raising design standards

The White Paper asks what support local planning authorities need and whether to make the three dimensions of sustainable development more explicit.

The AoU asks how can we improve the quality, design, sustainability and space standards of dwellings to create great neighbourhoods rather than just housing estates?

### 3.1 Encouraging good development

The White Paper says surprisingly little about housing quality and design, sustainability and energy resource efficiency or housing typologies and density (which tend to be sacrificed to viability and high land costs). The implication is that Fixing our Broken Housing Market is all about numbers. Although the NPPF provides an overarching basis for encouraging good design, the results in many of our newly built housing estates are because of unsatisfactory masterplanning, architecture, landscape and urban design, and house-builders' development models. The UK has been building the smallest houses with the most number of rooms in Europe. This is as a result of the way our housing is valued. Developers are producing houses that are governed by density rules of habitable rooms or dwellings per hectare; whereas elsewhere the norm is to use plot ratios.

### 3.2 Widening procurement

As the White Paper points out the majority of housing is provided by about 10 companies, and in any one location there is often an oligopoly. There seems to be little in the way of a design culture within the British house-building industry. House builders often bid to buy sites that have planning permission, gained through land-agents obtaining outline permission. These are often hurried and poorly considered, and do not take account of likely requirements, which are expected to be negotiated away on grounds of viability.

### 3.3 Lack of skills

Many local authorities no longer have the skills or resources to negotiate 'quality deals', especially where there is pressure to meet housing targets. A poor masterplan is therefore not improved upon, and the standard house-types are laid out using plot efficiency programmes, not place-making criteria. In many cases architects and landscape designers are not used, as house builders rely on their in-house skills. Commercial and sales departments determine the outcomes. It could be said that the house building industry is in the same predicament that the British car industry was in the 1970s and is producing what has been termed 'Allegro Architecture'. It took a generation of foreign competition to make the UK car industry competitive – what will be the equivalent for the housing industry? The government has a role to play in encouraging good design and place-making as well as innovation and research and development to cut construction costs.

## DEVONPORT, PLYMOUTH

Local authority: Plymouth City Council  
Developers: Devon & Cornwall Housing Association / Devonport Community Land Trust / Linden Homes / Redrow Homes / RIO (Real Ideas Organisation) / Hertford Investors  
Community Groups: Devonport Regeneration Community Partnership (DRCP) / Friends of Devonport Park  
Masterplanners: Matrix Partnership (Storage Enclave) / LHC (Gun Wharf, Ker Street, Granby North) / ADG (Mount Wise)  
Architects: LHC / Le Page / ADG / Trewin



The density and grain created in the Devonport estates in Plymouth reinforce the quality of the urban environment. New housing, whose layout incorporates sound place-making principles of coherent street and block layouts (often reviving original neighbourhood street plans), contribute to an attractive sense of place. The housing and tenure mix is designed to diversify the range of occupiers from the previous total of 75 per cent council housing. One housing area, Gun Wharf, has been awarded a 'Gold' category Building for Life standard and a 'Secured by Design' award. Devonport was a finalist of the 2015 AoU Great Neighbourhood award.

### 3.4 New developers, new mechanisms

Examples of new developers and new forms of delivery mechanisms that are now providing high quality housing need to be shared more widely. The partnership between Oxford City Council and Grosvenor Developments Ltd for the new urban neighbourhood at Barton Park (see p7) was procured through competition and benefitted from well-designed housing by good architects and a developer with a long-term view. Importantly, it was guided through by a good masterplan, design codes, design advice and review.

### 3.5 There are many ways that the government can raise standards at comparatively small cost:

#### a. Change in density rules

A change in density rules would allow greater choice for consumers, allowing someone who wants to buy space to do so without the need to buy more rooms. Space needs to be publicised along with energy consumption so that consumers can make valid comparisons. Custom-build is another route and the work that Cherwell District Council is doing to establish a new settlement of some 2,000 self-build / self-managed custom-built houses at Graven Hill in Bicester could be one way forward.



© Crest Nicholson

## BRISTOL HARBOURSIDE

Developer: Crest Nicholson Regeneration

Architects: Cullinan Studio

Bristol Harbourside has transformed a brownfield site of former docks and industrial activity through the development of almost 600 new homes – a mixture of apartments and houses, both affordable and for sale on the open market. The masterplan aimed to create a busy, bustling place where people live, work and relax. The sequence of well-designed, well-connected public spaces encourages sustainable movement within the neighbourhood and to the city centre via the Brunel Mile. Bristol was winner of the 2008 AoU European City of the Year award.

---

**b. Incentivising good design**

Viability and land values partly drive the end product, but there is a complex relationship between value, affordability, consumer expectation, cultural aspiration, property type, building form, amenity, car ownership, wellbeing and geography. There are few incentives to produce good design, sustainable development and energy resource efficiency. Yet tax changes can influence behavior, and lead-free petrol is a classic example. The government should consider how to use such mechanisms to promote better development. For example there could be rewards for designing to Building for Life and Lifelong Homes standards.

**c. Learning from precedent**

There is much to learn from looking at how other places – at home and overseas – deal with their housing issues. Telford's Millennium Community (see p22) profited from ensuring that the developer, council and even the existing community visited exemplars in the UK and Holland. So too has the design of the Southern Fringe and the university's project at Eddington in North West Cambridge. The results are high quality designs that have been championed by the community – a high return for a small investment. Study visits to exemplars in the UK and overseas have been at the forefront of the AoU's mission and have been organised for people in both the public and private sectors. But the system in the UK is so constraining that support from the government is essential to overcome potential attacks in the local media, who would claim that taxpayer money is being wasted on 'jollies'.

**d. Design and review**

Design reviews are also needed. Few house builders go through an independent design review process on their schemes. Local authorities are particularly in need of independent design assistance though some, such as Oxford and Greenwich, have set up city design panels under the aegis of Design Council CABI. These issues should be considered as part of an overall design improvement section to any forthcoming housing policy, and its provision could be built into the planning fee system. Organisations such as Design Council CABI or Housing England have a role to play in helping to promote better quality development and higher energy resource efficiency, and should be supporting local initiatives. BOB-MK (Berkshire, Oxfordshire, Buckinghamshire and Milton Keynes), a subscription service for all councils in this sub region, has been running for over a decade, supports local authority officers involved in quality control.

---

# 4

## Opening up the markets

The White Paper raises a number of issues around opening up more competition beyond the 10 companies that deliver most of the UK's housing.

The AoU asks: how can we promote a greater diversity of housing providers? So what mechanisms are needed to encourage alternative provision?



### HOMES FOR CHANGE, HULME, MANCHESTER

Developers: Homes for Change, Guinness Trust  
Architects: MBLC

The Homes for Change scheme was developed by a housing coop and includes 75 apartments along with a range of creative workspace, artists' studios, a café and even a theatre managed by a sister coop called Work for Change. The coop developed the scheme as part of the Hulme City Challenge with their development partners the Guinness Trust working with the Architect MBLC. The scheme was conceived as a 'lifeboat' for people who had lived in the old high-rise and deck-access Hulme who feared that the redevelopment would destroy the creative community that had thrived there. It is indeed designed as a deck access block around a courtyard garden but with a door entry system that makes the decks private (unlike the old Hulme). The scheme will soon be celebrating its 20th anniversary and is now known locally as the Yellow Bricks. This is a reference to Hulme's oldest creative community that survives in a series of 1930s walk-up blocks known as the 'red bricks'. Hulme was a finalist of the 2016 AoU Great Neighbourhood award.



**ASHLEY VALE,  
BRISTOL**



A former scaffolding yard in Ashley Vale, Bristol, became an exemplar of the success of community control of housing development within a market economy – including the acquisition of land; planning and providing the infrastructure; and co-operative self-build development. Although not the first self-build project in Britain it has become a national and international model of good practice. The first self-builders entered the scheme because it gave them an opportunity to own their own home. The building process encouraged people to share skills, knowledge and experience. There are a number of families with young children and it is clearly a safe place for children to live and play and, therefore, attractive to families. There are also many older residents who have brought up families in the area and bring different skills to the community. Environmental sustainability is one of the core values of the self-build project, reflected in the choice and reuse of materials and encouraging local biodiversity. Ashley Vale was the winner of the 2017 AoU Great Neighbourhood award.

---

#### **4.1 Risk aversion**

Much of the public sector in the UK is risk averse. That and the combination of a conservative mainstream financial sector comprising of mortgage and insurance companies, and Housing England reinforced by current professional advice, have helped create a sclerotic house-building industry, that heavily favours volume builder. A dwelling that differs from the standard house-builders' typologies will attract additional funding requirements. Some measures that could be revived are:

##### **a. De-risking access to funding**

Funding for small development and small building companies to encourage alternative development mechanisms should be de-risked so they do not have to put their own homes at risk.

##### **b. Genuine affordability**

Capturing the rise in land values to provide genuinely affordable housing (at social rents or equivalents) as part of mixed developments with units of differing tenures spread throughout. This can reduce the need to set aside land for 'affordable housing' and instead cater for a much wider group of people such as key workers, first time buyers, down-sizers, the elderly and so-on. Other players such as the private rental sector can also play a part. This may also obviate the need for the long drawn out negotiations over S106 and payments to councils for off-site affordable housing.

##### **c. Setting the agenda**

Simplifying the planning process through such means as concept plans, parking standards and development capacity, tenures and typologies, help provide certainty and hence speed. Similarly, rather than detailed masterplans that easily become redundant, we need development frameworks with a clear strategy, for allowable uses, plot ratios etc, which guide infrastructure and direct the location of new development. A more pro-active rather than reactive role that sets goals, strategies and quality criteria and hence greater certainty would make it easier for investors to take a long-term view. This could be vastly helped by considering the use of mechanisms such as Germany's Bauplan, which encapsulates all the criteria on a single document or plan.

##### **d. Custom-built housing**

Encouraging custom building through sites set for both individuals and groups, co-ownership and co-operatives to design and build housing to suit specific needs. A good example is Springhill Co-housing in Stroud and Ashley Vale in Bristol – both are finalists in the Urbanism Awards.

##### **e. Long-term involvement**

Enabling house builders to diversify to provide greater stewardship over the long-term, similar to the great London Estates. Such a move would encourage better public realm, better quality of housing (recent experience with some volume builders has shown how poor the quality of planning and construction can be and how residents of new-builds are often very disappointed – focusing on quantity does not produce a sustainable built environment) and better

---

'place-making'; in other words the right dwelling in the right place, for the right length of time. For this to happen it needs ambition, brokerage and the ability for public and private sectors to work more closely together, with continuity and consistency of approach over time. The ABC of successful placemaking.

**f. Re-empowering**

The government needs to re-empower relevant bodies, whether local authorities or joint ventures with housing providers, with the ability to raise funds. Successive governments have relied on the private sector to build communities, which is not in a position to respond; house builders for the most part have neither the capacity nor skills to build or manage neighbourhoods. Local authorities, once providers of 'social housing', have seen their resources cut and can no longer develop housing as they once did. Housing associations now find themselves in a similar bind. The gap between need, provision and affordability has therefore widened, which has led to the steady rise of house prices and unaffordability. As Sir John Calcutt, the former chair of Crest Nicholson, said in his report on housing delivery, a new 'investor' business model is needed to replace the 'trader' model.

**g. Access to data**

Local land registry and other relevant information should be more openly available to local communities and councils, especially if the aim is to set up public-private partnerships to deliver large-scale new housing, whether in-town or at the edge.

**SPRINGHILL  
CO-HOUSING**



---

# 5

## Upgrading skills

The White Paper asks what support should be provided to local planning authorities in order to increase housing delivery.

The AoU asks how can we increase the skills and understanding of urbanism of those involved in the planning and production of new homes? Communities cannot be expected to produce plans for new settlements: they and developers have their own and different interests. Should local authorities be proactive for the common good and if so how can the necessary capacity be built up? Reacting to calls for sites that do not help in the creation of an overall spatial strategy often only exacerbates spatial challenges.

### 5.1 Lack of skills – the public sector

Where the local authority leads and is proactive in setting the strategic and development agenda, a more flexible approach is possible. Good planning is not about development control and ticking boxes to justify housing targets, but about enabling the right development in the right place. That is a strategic and spatial requirement that is no longer addressed by many councils. City engineers and architects no longer exist, and forward planning has become an exercise in managing an imposed set of targets. Even design guidance and codes have become the responsibility of the developer: an opportunity to describe their standard house types. The skills needed to address these issues are now missing from most councils.

### 5.2 Lack of skills – the volume house-builders

House builders also have their standard house-types and often use them as a kit of parts to 'place-make'. However, they too do not have the necessary 'place-making' skills, and with a few notable exceptions, little has been done to improve on this. House builders also have difficulties obtaining the appropriate site construction skills and better supply chains. Construction workers, badly hit by the recession, have often become independent operators. The increased pressure on housing production recently has resulted in a reliance on skilled workers from Europe. The training up of apprentices in such a volatile industry is a challenge. This also applies to the suppliers.

### 5.3 Legacy

House builders have strategic land departments that compete with each other and are adept in gaining options and other arrangements with landowners, which often determine the direction of growth of a city or town. A few landowners are very positive about the legacy they wish to leave, and set their own agenda for development, bringing together an appropriately skilled design and development team. Abode in Harlow, Essex, is an exemplar (see p12).

### 5.4 New mechanisms

Councils need to gear up. Where they have become development partners or have arms-length development mechanisms the results are proving successful.

---

Oxford's urban extension at Barton Park, Cherwell District Council's custom build development at Graven Hill, and Cambridge's North West sector proposals are all positive examples of different approaches. There are large numbers of experienced local authority officers who need to be brought back to work with young graduates, supplemented by secondments from the private sector or abroad. Where there is a complex and long-term job to be done and the skills are not available, it can be better to establish some form of corporate vehicle with staff seconded or recruited that have the necessary competence.



## TELFORD MILLENNIUM COMMUNITY

Developer: Homes and Communities Agency / Wrekin Council / Telford Council / Sanctuary Living / Wimpey Homes  
Architects: Jon Rowland Urban Design / URBED / Lifschutz Davidson Associates / MWIA



The Millennium Communities produced many innovative ideas that responded to new concepts on sustainability, house-types, modern methods of construction, place-making, traffic management and design. Telford Millennium Community is one such example. The 40-hectare community at Ketley in Telford, consists of 650 dwellings of affordable housing live/work units, sheltered accommodation, offices, and retail and leisure facilities. The award-winning scheme was planned to push the boundaries of sustainability. It tested new street designs, Modern Methods of Construction and put the community at its heart. Significant participation led to positive planning and design outcomes. A Community Trust now manages the site.

---

# 6

## Reforming strategic planning

The White Paper asks what additional powers or capacity would allow local authorities to play a more active role in land assembly?

How could the planning system be reformed to encourage the provision of the numbers and design quality of new homes that we need?

In particular, as we have argued earlier, changes may be needed to:

- Boost local authority capacity in the light of financial emasculation and increased responsibilities.
- Resurrect forward, strategic and spatial planning.
- Address the skills shortage within many local authorities as well as house builders.
- Encourage interagency coordination across councils, and between institutions and key stakeholders.
- Loosen the planning system.

### 6.1 Spatial strategies

If there is one lesson that the AoU has learned from its work with councils and communities, as well as the cities that are rated as great places, it is the need for a long-term strategic and spatial overview. In the UK regional governance and government involvement seems to change from election to election. Decision-making is fragmented as the stakeholders have multiplied. This has both positive and negative implications. In some cases communities find it hard to contribute because they lack adequate skills and funds – this is especially true in neighbourhood plans. At the other end of the spectrum the lack of regional context has made it difficult to fulfil the 'duty to collaborate' across political, agency and commercial boundaries.

### 6.2 Governance mechanisms

Strategic frameworks help de-risk and reduce long-term uncertainty for developers and investors. The differing experience of the 'city regions' of Oxford and Cambridge exemplify this challenge. In Cambridge, collaborative relationships between political bodies, a long-term understanding between the city council and major economic drivers and landowners has brought rapid economic growth and physical improvements. Whereas the inability for the city region of Oxford to fulfil its role because of planning and political constraints is well known, which is making it difficult for the region to rise to the challenge of being part of the southern 'powerhouse'. The report on Oxford Futures and the work on Uxchester Garden City as part of the winning Wolfson Economics Prize entry, in which Oxford was used as an exemplar, shows how far the city has to go. Better regional governance would certainly help. The consolidation of LEPs, growth boards and other similar organisations would be a start, and the decision of the six neighbouring councils to jointly commission a growth plan is an important step. The AoU has convened to help engagement in the

---

Oxford - Milton Keynes - Cambridge growth corridor; but other growth areas between Manchester and Liverpool, Leeds and Sheffield, for example, are similar in their aspirations.

### 6.3 Continuity

The lesson from model cities such as Freiburg is that continuity is important. The team charged with the regeneration and growth of the city and the provision of new housing through urban extensions was in place for over 25 years. The result is that the original democratic aspirations have been met. The objectives did not change every two to five years to accommodate political changes at state or national level. The long-term improvement was non-partisan and across political boundaries.

### 6.4 Support mechanisms

Local architectural centres can help. Organisations such as BOB-MK, which has been successful in providing mutual support, training, workshops, design review and study visits to participating councils, need support. Design Council/CABE has a city design review panel programme that provides design assistance through review and workshops to a small number of councils. In addition, some house builders are considering independent internal reviews to reduce the areas of contention with councils. All these and other similar mechanisms need further financial support if councils are to meet requirements for design review as set out in the NPPF. These should be part of the services covered by planning performance agreements (PPA) or planning fees, and should form part of a City Deal.

## MONTPELLIER



An example of good housing using prefabrication, which is the result of strategic decisions made by the local authority as part of an integrated approach to provide substantially more housing based on capturing land value uplift and providing new public transport routes. This is a mixed-use development with ground floor uses and indistinguishable market and socially rented accommodation. Montpellier was a finalist of the 2017 AoU European City of the Year award.

## ASPERN SEESTADT, VIENNA

A new suburb of Vienna built on the former Vienna-Donaustradt airfield, Aspern Seestadt captures land value uplift to provide high quality social and physical infrastructure including a new metro line connecting it to the city centre. Higher densities, hidden parking excellent open space provision including allotments make this a highly sustainable development. The huge development also includes self-build, widening traditional levels of procurement. Vienna was a finalist of the 2018 AoU European City of the Year award.



---

# 7

## Building faster and better

### The White Paper asks how the number of houses built can be increased?

What incentives (fiscal or otherwise) could influence the amount and quality of housing to be built? What new or rediscovered tenures could be appropriate, and what are the implications on the nature and form of neighbourhoods.

#### 7.1 Commitment to affordable housing

The AoU welcomes the White Paper's recognition that a range of tenures and levels of affordability is required, but we regret that there is no concrete commitment on affordability. Much more needs to be done to achieve a big increase in the provision of affordable housing.

#### 7.2 Assessing priorities

Affordable housing is starved of funds. CIH (Chartered Institute of Housing) analysis shows that just £8bn of the £51bn earmarked until 2020 will fund affordable housing. The remainder is focused on supporting the private housing market. This at a time of rising levels of homelessness and when the CIH projects that 250,000 of the cheapest social homes will be lost between 2012 and 2020, whilst the lower benefit cap puts an additional 116,000 households at risk of homelessness. So we urgently need to restart a significant programme of genuinely affordable housing provision.

#### 7.3 Council housing, bonds and funding mechanisms

Affordable housing is about more than social housing. In addition, housing for vulnerable and older people, including a provision for an ageing population, needs to be considered much more thoughtfully at all price points and tenures, as well as specialist housing and lifetime homes in lifetime neighbourhoods. These should be considered in the short term with regards to the problems currently caused by uncertainty on funding of supported housing. Other solutions include enabling local authorities to return to providing housing by removing the barriers that restrict their ability to build significant numbers, freeing up the borrowing restrictions so that councils can issue bonds, and allowing them to keep all Right-to-Buy receipts. These measures would all help, as would reviewing restrictions on rent increases.

#### 7.4 Procurement and investment

Procurement also needs changing. The AoU is convinced that the way European cities such as Montpellier have grown so fast is down to their different approach to the procurement of both infrastructure and mass housing (see section 7.5). There has been a lot of talk about Modern Methods of Construction (MMC), but house builders have found it cheaper to rely on foreign labour and the minimum of investment. Yet prefabrication has a key role to play in helping to increase numbers – as a part of an integrated approach

---

## 7.5 Prefabrication

There are currently few incentives for house builders to change their mode of operation: neither financial nor qualitative. Some house builders have even reduced their research and development expenditure. With the rise in land prices, house builders can build fewer houses for the same returns. Capturing rising values and other fiscal incentives could provide some opportunities for funding off-site construction. Organisations such as Constructing Excellence are trying to change the industry mindset, but prefabrication is not a panacea. It will take time and concerted effort to meet the quantity and quality criteria through off-site construction. Recently Urban Splash, a relatively small and focused developer, has worked with Shed KM to build prefabricated modular houses. Similarly Igloo, which is backed by Aviva, is experimenting with housing that can be built in factories to customers' requirements, just as happens when you buy a new car.

### **HOUSE (New Islington and Irwell Riverside in Manchester / Smith's Dock, North Shields / Port Loop, Birmingham)**

Developer: Urban Splash  
Architects: shedkm

House exploits modular design to create high quality, customer-designed homes that are procured according to specific needs and based around a shell design. The efficiency and precision of the world of product development is utilised by designing and building each dwelling in a factory off-site and delivering them fully fitted. Thought has been paid to change conventional ideas of design, with high ceilings, super sound insulation, full-height windows and the freedom to specify the layout differently from that of your neighbours. This is a model of development that is spreading around the UK and proving successful.



© diamond geezer via Flickr

---

## 7.6 Strategic investment

However, MMC can also fail as the experience at Oxley Woods in Milton Keynes has shown. It will take some time for prefabrication to play its full role. So the government has a key role in creating the security to enable further progress to be made. This could be done initially through smaller developers working with HCA / Housing England and other governmental landowning agencies, as they once did, and through fiscal relief on research and development. Factory-built housing needs to reach a critical mass to be viable, and private rented sector schemes could assist in bringing in other players such as insurance companies to play a new role in housing. Recent Chinese investment of £2.5bn in Your Housing Group's off-site initiative to build 25,000 homes is another way. The AoU's assessment of Montpellier's experience of prefabrication found that the city built some 3,000 dwellings a year. That rate of build in Oxford would clear its housing backlog in 10 years. But then Montpellier has a spatial strategy, has bought appropriate land at a mid-point between existing use and developed value, and captured its rise in value. This has helped them to create value with parks and infrastructure, install a significant proportion of affordable housing and an excellent transport system, and employment, leisure and cultural uses.

## 7.7 Self-build / custom-build

Other avenues for increasing housing numbers include opening up development to self-builders, cooperatives and co-ownership groups. Schemes such as Graven Hill in Bicester for 2,000 custom built dwellings, or the experiences of HPBC (Housing People Building Communities) in Liverpool and other community build schemes show a way forward. Many councils and government agencies have an obligation to gain best value from selling their land. This is usually translated as the maximum price rather than optimising prices in favour of the 'common good'. This can act as a barrier to such schemes as Graven Hill which rely on land obtained at reduced prices. Pilot projects on government or council owned land should be encouraged.

## 7.8 New forms of housing

Other forms of housing should be allowed and appropriate regulations relaxed. For example, Shell housing – the provision of a basic but unfinished dwelling that reduces finishing costs and allows greater individualism; core housing – provision for a basic minimal dwelling with the ability to expand over time to cater for changing family circumstances, and other hybrid and gradualist but individualist housing forms could be tested. 'Home-working' is increasingly important and forms other than a standard house type are critical to 'placemaking'.

# 8

## Extending the choice of players

Implicit in the White Paper is the question of whether the government should rely on the private sector to deliver more and better housing and neighbourhoods.

What proactive role could the local authorities and other agencies play in providing housing? Are there fiscal incentives or mechanisms for councils to borrow against their assets or use bonds, for example?

### 8.1 Widening the fiscal field

Provision or enabling provision of housing is a government responsibility. Whilst the private sector can play a very useful part in providing housing, relying on them to meet the shortfall in numbers has not worked. Indeed, mass housing can be classed as part of the nation's infrastructure and should not have to count against the public sector borrowing requirement. In light of Britain's decision to exit the European Union it becomes even more important to use the backlog in the provision of housing and local infrastructure to reboot the British economy. But this will be impossible so long as we rely on the current players alone.

### GRAVENHILL, BICESTER



Landowners: Cherwell District Council  
Developers: Gravenhill Village Development Company (arms length);  
Self-build Masterplanners: Glenn Howells Architects;  
Architects: various

Promoted at arms-length by Cherwell District Council, this 188 hectare former Ministry of Defence site is now available for 2,000 self and custom-build houses – a first on this scale for the UK. Design guidance, plot passports and varying levels of completeness – from foundations through to shells – were developed by Cherwell District Council and provided in order to encourage new and inexperienced self-builders and deliver a wide range of creativity within a coherent context. The scheme is being marketed with good transport links to Bicester and Oxford and with the addition of a new primary school.

---

## 8.2 Public sector development

The figures suggest the fall in public sector housing provision has been responsible for the drastic shortage of accommodation that we are suffering from today. The Ministry of Housing, Communities and Local Government's (MHCLG) own analysis, backed up by the recent Building a New Deal for London for the London Housing Commission, shows that on average the private sector has been steady in the number of dwelling produced over the years. In the UK this appears to be some 125,000 and in London about 10,000 dwellings. It would be appropriate to consider the reinstatement of a development role for the public sector in a number of forms, whether through partnership, arm's-length development vehicles, joint ventures or directly to help mend this broken housing market.



### HOMERUSKWARTIER, ALMERE POORT, NETHERLANDS

An exemplar from which the UK is taking inspiration and widely regarded as the largest and among the most innovative custom-build schemes in the world. Plots were sold to individuals along with very basic design guidance and a plot passport. The result is individualism, which combines to create a strong identity. Residents have delivered the complete opposite to UK standard house types, which provide sameness and lack of identity.



---

### 8.3 Council housing

Local authorities must be able to raise funds for development using their assets as security. The AoU considers that councils should be able to commission housing and should be central in enforcing well-designed developments. But councils need resources to help government meet its housing goals as well as its statutory duties to contribute to the quality of the built environment and life. The staffing cuts need to be reversed through a recognition of the contribution that a good built environment makes to the general health of the population, education and economic well-being. This might mean an adjustment in the current model of the local authority. Pilot projects could be used to test a more appropriate form of delivering high quality housing that reflect the government's ambitions for the 21st century.

### 8.4 New developers

The provision of serviced sites, paid for as a proportion of the value generated, would not only widen choice but would also open up opportunities for small builders and community enterprises. The success of exemplary cities like Freiburg, or the rapid expansion of Dutch towns such as Almere, can be credited to the provision of building plots within streets provided by the master developer, often the local authority or a company set up for the purpose. Land values are much lower because sites are not auctioned off to the highest bidder, but paid for when the homes are occupied, so that developers can be chosen for the quality of what they propose to build, not simply how much they are prepared to offer.

#### a. Capturing uplift

Transport for London, and now the Greater London Authority, are investigating how to capture land value uplift to help fund new infrastructure. The most pertinent examples are the land value tax in Canberra in Australia, a 'split-level' rating to promote the regeneration of central areas of Pittsburgh USA, and the use of land value uplift to fund a new metro in the town of Orestad outside Copenhagen. Other European countries have national or regional public investment banks for funding local infrastructure and so do not have to rely on developers to fund most of the infrastructure as well as housing. No wonder housing is much more expensive in this country. In considering new policies, the government needs to review the system of development finance to help make housing more accessible.

#### b. Alternative mechanisms

Other possible mechanisms include the use of bonds – as housing associations have been doing on a large scale – community and neighbourhood land trusts, and various forms of trust (as proposed in URBED's Wolfson Award submission, which showed how to double the size of Oxford without public subsidy). Could some of the local enterprise partnerships and growth boards be encouraged to set up such a public private partnership? Should it have powers similar to some of the recent development corporations?

---

# 9

## Designing for the future

The White Paper asks about clarifying the three dimensions of sustainable development.

The AoU asks: What form should our new suburbs take and what can we learn from cities in Europe? What are the key attributes that are needed to create our new urban extensions and not just housing estates? What changes in planning regulations might these require?

### 9.1 Strategic and spatial planning

This is at the heart of better housing provision. The imposition of unsupported and unconnected development can then be avoided. Planning for the long-term requires:

- a. Land pricing and capturing land value uplift: to ensure better infrastructure from the start. Connectivity is key; advancements in transport, logistics, IT and other technologies can all help provide the incentives for a different approach.
- b. New forms of long-term finance: such as bonds that can cut the costs of finance, especially if risks are reduced through the measures proposed earlier in sections 4 and 6.
- c. New mechanisms for development: and delivery such as public-private partnerships, and support for alternative delivery models such as custom build backed by research into the best methods.
- d. An integrated framework: for social, economic, and cultural sustainability to create good quality development and improve health and well-being, thus cutting the costs of social care – compact and walkable neighbourhoods are the first step.
- e. New forms of stewardship: that replace failing council adoption schemes and S106 demands. The role of community development trusts in estate management merits exploration, especially as this could help change behaviour and overcome growing problems such as isolation on the part of older people or young mothers.
- f. Climate proofing: to help create resilient places in the face of less predictable weather. Energy resource efficiency and real sustainable development such as Passivhaus standards can help raise quality and support the formation of new businesses. Sustainable urban drainage systems (SUDS) can reduce the financial costs of flooding and add value to the landscape at the same time.
- g. Wider offer: that incorporates a wider range of typologies, tenures, and uses. Hybrid functions such as 'home-working' create the character or distinctiveness that are so often missing in new development in the UK.

---

## 9.2 Better placemaking

Community development programmes need to be run in all places that are scaling up their efforts. Some developers are slow in up-skilling staff, often preferring familiar and unchanging techniques. Standard house-types are often shoe-horned into inappropriate groupings that are considered a response to the demands for better 'place-making'. Similarly, much needs to be done to raise the quality of resources and skills within councils. Planning as a profession needs to move away from development control towards a 'city planning' or 'urbanist' role that guides and enables appropriate development in appropriate locations.

## 9.3 Quality charters

The planning of new neighbourhoods are key to what makes a city great, whether in the urban extension of Rieselfeld in Freiburg, Southern Germany, Kop Van Zuid in Rotterdam, Orestad or the waterside developments in Copenhagen in Denmark. The European City of the Year Award gives the AoU unparalleled knowledge of what works, where and why. Quality charters based on these should help form our new garden towns and neighbourhoods and the way our 21st century suburbs should be designed and delivered.



### GRAYLINGWELL PARK, CHICHESTER

Developers: Linden  
Homes, Affinity Sutton,  
HCA Masterplanners: JTP  
Architects: JTP

This 34-hectare former hospital site in a Conservation Area on the outskirts of Chichester has become an award-winning "sensitive development providing a great range of character areas and spaces", according to the Urban Design Group. It demonstrates that careful masterplanning with the input of the local community can deliver a good urban extension based around streets, providing 750 new homes of which 40% are affordable. It incorporates sustainability measures that address movement, landscape, open space, drainage and ecology as well as an ambitious energy strategy which will result in the overall development being Net Zero Carbon. A Community Development Trust was established to manage the community facilities and open space in the long term for the benefit of the community.

---

## Conclusion

Fixing the broken housing market, as this report has sought to show, involves far more than just constructing more homes. Rather, it is about building many more great neighbourhoods. There is quite enough research to show what is wrong, and enough good examples to provide the inspiration for a different approach. If we are to fix the broken housing market, we must experiment with different approaches that have been shown to work. So by starting with spatial growth plans, using development corporations to mobilise land and infrastructure investment, raising private finance through bonds and various forms of trust, we can provide the serviced sites needed for a multiplicity of builders, catering for diverse markets. The government should pilot these aspects, especially within the Northern Powerhouse and Oxford to Cambridge arc, to test these issues.

We urgently need a wide range of new approaches to support the independence of our ageing population, by building desirable specialist and general needs homes to encourage more to downsize, including shared equity and affordable options for those with insufficient equity. This will bring benefits of freeing up family homes and reducing the cost burden on care and health services of older people who are inappropriately housed.

The Academy of Urbanism looks forward to working with the government to repair the broken housing market and to introduce applicable strategies and mechanisms from exemplars both in the UK and abroad.

