

# New Towns Draft Programme

## Consultation Response

**Response from:** BusinessLDN, One Oliver's Yard, 55-71 City Road, London EC1Y 1HQ

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### Introduction

1. BusinessLDN is a business membership organisation with the mission to make London the best city in the world to do business, working with and for the whole UK. We work with the support of the capital's major businesses in key sectors such as housing, commercial property, finance, transport, infrastructure, professional services, ICT, and education.
2. We welcome the opportunity to respond to this consultation. We support the Government's new towns programme and its inclusion of sites in London. We have [previously set out the case for the capital having at least one new town](#) and continue to focus on the London-wide benefits that the new towns programme can deliver for London and the UK as a whole. We have not commented in detail on the proposed locations and have instead focused on the Government's offer to new towns and the proposed planning policy in the context of London.

### Response to relevant consultation questions

#### **Section 4.1 – Government offer**

**Question 14: Do you agree with the overall government offer for proposed new town locations? (Yes/No/Not sure). If you answered no, is there any additional support you think should be offered?**

3. Yes, we agree with the overall government offer for proposed new town locations. The broad areas outlined in the consultation: funding, delivery vehicle set-up, single front door, planning policy, and design and placemaking are the right areas for government support.
4. As stated in the consultation, a bespoke package can only be developed further once the specific needs of each location have been assessed. Given that funding for the various interventions is not coming from a single budget and may also span a number of government departments, clarity must be provided about how all the support, but especially the funding, will be ringfenced and provided in a timely manner.

**Question 15: Do you think there are any additional interventions that government should consider to ensure design and placemaking quality in new towns? (Yes/No/Not sure). If you answered yes, please set out the additional interventions government should consider.**

5. While not an intervention per se, it is important that, in establishing and seeking to ensure design and placemaking quality in new towns, this focus is aligned with deliverability. Policy requirements must strike a careful balance between ensuring that what is built is built to last, is of high quality and ultimately becomes a desirable place, with the overall cost of complying with these requirements and the impact that this may have on deliverability.
6. New town development will go through multiple economic cycles, and the policy requirements placed on development in these areas will have a direct impact on the costs of construction. A long-term and pragmatic approach will need to be taken; this should not be at odds with creating a high-quality place.

## Section 4.2 – new towns planning policy

### Question 16: How clear do you find the proposed planning policy? If you answered unclear, which elements are unclear and how would you suggest changing them?

7. The planning policy is clear. It is important that the Government has finally clarified in the proposed policy that “housing built in new towns will count towards local and regional housebuilding targets.” This has been the source of some ambiguity, given the initial statement from the Housing Minister that homes built in new towns would sit outside housebuilding targets.
8. To help improve the clarity and deliverability of the proposed planning policy, we suggest that minor changes be made to three of the placemaking principles as set out below.
9. Firstly, there needs to be flexibility in the placemaking aspects of the planning policy to allow for bespoke design approaches that respond to location and context. For example, Outer London is currently generally characterised by low-density development. If a new town in Outer London were to continue this approach, it would represent a significant missed opportunity to increase housing supply and create a truly sustainable place, which density can help to provide. The following change highlighted in green should be made to the Vision-led principle to address this:

#### **Vision-led**

Each New Town should have a clear long-term vision for creating a *unique*, well-designed and distinctive place, supported by a town-wide framework masterplan and a town-wide design code *that reflect and respond to local context and distinctiveness*, to ensure placemaking quality.

10. Secondly, the affordable housing and balanced communities principle includes the need for 40% affordable housing, with at least half being for social rent. While we support this aspiration, the ability for all new towns to deliver this will vary depending on a range of factors, particularly as development will be undertaken over several years, if not more, and therefore go through multiple economic cycles.
11. In the consultation document (4.2. new towns Planning Policy), a more nuanced approach is taken to the 40% affordable housing aspiration compared with the language used in Annex A (emphasis added):

The principles include a minimum target of 40% affordable housing, of which at least half are to be available for social rent. The government believes that this should be the expectation for all sites within the programme, *while recognising some locations will be more able to meet the target than others, according to local conditions such as the volume of development on brownfield land.*

12. The new towns planning policy should adopt this approach by incorporating the following wording in green:

**Affordable housing and balanced communities**

New Towns should provide a diverse range of high-quality housing, with a range of housing types and tenures to suit the needs of a balanced community. This should include a minimum target of 40% affordable housing, of which at least half to be available for social rent, *subject to the overall viability of development*.

13. Finally, to aid delivery and provide clarity for developers and communities in new towns, the planning policy should stipulate that each new town's planning and design framework will set out a clear hierarchy of planning gain aspirations for social and community benefits. If economic circumstances change, which is a very real possibility given the long-term nature of new towns development, setting out a hierarchy would mean planning gain is prioritised according to local need, the level of investment required for enabling infrastructure and local political priorities. The social infrastructure placemaking principle should be amended as outlined in green below:

**Social infrastructure**

New Towns should support thriving communities by ensuring access to schools, cultural, sporting and healthcare facilities, and other social infrastructure that meets new residents' needs from the outset. *Each New Town's Vision should set out ambitions in this regard, including a clear hierarchy of prioritisation for planning gain to balance against the maximum reasonable amount of affordable housing that can be achieved.*

**Question 17: Do you think establishing the placemaking principles in the proposed planning policy is an effective way to implement the placemaking ambition of the programme? (Yes/No/Not sure) If you answered no, how do you think the placemaking principles should be implemented?**

14. Yes, establishing placemaking principles within planning policy ensures they are reflected in the design and delivery of new towns. The principles will become a material consideration in a planning application and will therefore need to be addressed by those who are delivering new towns and considered by planning committees determining applications.

**Question 18: Do you think the proposed planning policy provides sufficient flexibility to new town locations to meet the placemaking principles? (Yes/No/Not sure) If you answered no, what other measures could create a flexible approach to the placemaking principles?**

15. Yes, in general, sufficient flexibility is provided in the proposed planning policy to enable the placemaking principles to be met. As outlined in response to Question 16, the wording for the three placemaking principles we have highlighted should be amended to help make the overall policy more deliverable.

**Question 19: Is establishing a 40% target for affordable housing an effective way of delivering an ambitious number of affordable homes? (Yes/No/Not sure) If you answered no, what changes to the target are needed?**

16. Yes, it is better to have a clear target rather than an ambiguous policy, which leaves those building in new towns unclear about what needs to be delivered. It is a different question, though, as to whether the 40% target is deliverable. As mentioned in our

response to Question 16, the wording of this policy should be amended to provide some flexibility, which will aid the overall deliverability of new towns.

17. As the introduction of the emergency measures to support housebuilding in London has shown, simply having an ambitious affordable housing target, however well-intentioned, does not mean it can be delivered. Property development is cyclical and the viability of housebuilding is often closely linked to the wider performance of the economy. In the long term, if the 40% target is not applied flexibly and pragmatically in new towns, then it is likely to constrain development when the market is in a trough. Viability could be further compounded by the large infrastructure requirements that all new towns are likely to have and to which developers will be expected to contribute.
18. The most effective way to deliver an ambitious amount of affordable housing in new towns would be to guarantee a significant amount of affordable housing grant to these areas.

**Question 20: Is the proposed planning policy on giving substantial weight in decision making to the social and economic benefits of new towns clear? (Yes/No/Not sure) If you answered no, please provide your reasons.**

19. Yes, the proposed planning policy on giving substantial weight in decision-making to social and economic benefits is clear. This sits at the heart of why new towns are required and is an integral part of the proposed planning policy.

**Question 21: Do you agree with the government's approach to decision making policy on the Green Belt? (Yes/No/Not sure). If you answered no, what further change to plan-making or decision-making policy are needed?**

20. Yes, we agree with the approach to decision-making policy on the Green Belt. The proposed policy concisely articulates the point well; where development in a new town would generally be considered inappropriate in the Green Belt, it is likely that this development constitutes the special circumstances to justify such development. New towns are of national significance, and their development should be prioritised through national, regional and local planning policy.

**Question 22: Do you think the proposed planning policy is sufficient for the purposes of safeguarding land for development as new towns. (Yes/No/Not sure) If you answered no, how could the policy go further?**

21. Yes, the proposed planning policy is sufficient for the purposes of safeguarding land for development in new towns. The statement that directs refusal if a development proposal would have a "clear adverse effect on the proposed scale, location or phasing of New Town..." is clear in its intent. Likewise, the policy that states "development proposals outside of New Town areas should not have an adverse impact on the delivery of new towns, including in relation to consistency with Appendix A: New Towns Placemaking Principles" will also help protect the integrity of masterplans for new towns.