



Department for
Communities and
Local Government

Locally-Led Garden Villages, Towns and Cities



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Department for Communities and Local Government
Fry Building
2 Marsham Street
London
SW1P 4DF
Telephone: 030 3444 0000

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Foreword

We were elected on a promise to get Britain building and help more people achieve their dream of home ownership. We are delivering. Housing starts and completions are at their highest level since 2008, and reforms to the planning system are helping speed up development across the country. Schemes like Help to Buy and Shared Ownership have helped over 270,000 families realise their dreams and become homeowners.

We have set out the most ambitious housing programme for more than a generation, doubling the housing budget so we can meet our ambition of delivering a million new homes over this Parliament.

As part of this, and to ensure that strong communities are at the heart of new development, we made a commitment in our manifesto to support locally-led garden cities and towns in places where communities want them.

We are supporting a new wave of garden cities, towns and communities in Bicester, Basingstoke, Didcot, Ebbsfleet, North Essex and North Northamptonshire. Together, these have the potential to deliver over 100,000 homes with strong communities at their heart.

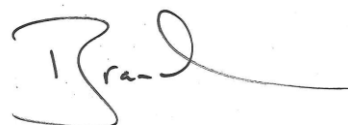
Each place is unique, but they all offer big opportunities for transformational long-term housing growth. This will ensure that the real and important benefits that people rightly expect are secured from the outset - quality design with cutting-edge technology, local employment opportunities, accessible green space near homes, high quality public realm. Great places for great communities.

These garden towns and cities are crucial towards meeting our long-term housing needs but we want to go further. This prospectus extends our offer of support which, until now, has been focused on new garden communities of at least 10,000 homes, to help those areas which also want to create new garden villages, towns and cities.

This country is building again, and we are committed to delivering a lasting legacy of new, beautiful places, with the homes that people rightly want, and expect. We encourage local areas and local communities who want to make new garden villages, towns, or cities, a key part of their offer on housing growth to read and respond to this prospectus.



The Rt Hon Greg Clark MP
Secretary of State for Communities
and Local Government



Brandon Lewis MP
Minister for Housing and Planning

Introduction

1. This government is taking action on a range of fronts to ensure the homes this country so badly needs, get built: speeding up the planning system; ensuring land for housing is available and gets built out; ensuring that we maximise the use of brownfield land; providing new opportunities for custom and self-builders; backing SME builders; providing more opportunities for home ownership through Help to Buy and our Starter Homes programme.
2. We are making good progress. We have delivered a net supply of over 170,000 homes up to December 2015 – a 25% increase compared to the year before. Housing starts have also risen 23% up to the same period. But we know if we are to achieve our target of one million new homes by 2020, we need to support and enable house building at all scales.
3. Large new settlements have a key role to play, not only in meeting this country's housing needs in the short-term, but also in providing a stable pipeline of housing well into the future.
4. We want to encourage more local areas to come forward with ambitious locally-led proposals for new communities that work as self-sustaining places, not dormitory suburbs. They should have high quality and good design hard-wired in from the outset – a new generation of garden villages, towns and cities.
5. We know that there is interest at the local level in how developing new garden villages, towns and cities can be a suitable way of meeting local housing need, rather than building on to existing settlements. We are taking important steps to support local areas who want to move in that direction.
6. We are proposing to strengthen national planning policy to provide a more supportive approach for new settlements. We are committing to legislate to update the New Towns Act 1981 to ensure we have a statutory vehicle well-equipped to support the delivery of new garden cities, towns and villages for the 21st century
7. This prospectus extends our existing offer to support local areas who want to create garden communities on a smaller scale. It offers tailored support to local areas which want to deliver a new garden village, town or city. It is divided into two parts covering expressions of interest for different scales of development.
8. The first part of the prospectus invites expressions of interest by 31 July 2016 for new 'garden villages' of between 1,500 to 10,000 homes. Our intention at this stage is to support up to 12 new garden village proposals.
9. The second part of the prospectus invites expressions of interest on a rolling basis in new garden towns and cities of more than 10,000 homes. Recognising the exceptional nature of development at this scale, we expect to add to the garden towns and communities we are currently supporting at Ebbsfleet, Bicester, Basingstoke, Didcot, and in North Northamptonshire and North Essex.

What do we mean by garden villages, towns and cities?

10. We do not consider that there is a single template for a garden village, town or city. It will be important for the new community to establish a clear and distinct sense of identity. We want to see local areas adopt innovative approaches and solutions to creating great places, rather than following a set of rules.
11. Equally, we are clear that this prospectus is not looking to support places which merely use 'garden' as a convenient label. Rather, we will support local areas that embed key garden city principles to develop communities that stand out from the ordinary. We do not want to impose a set of development principles on local areas, and will support local areas in developing their own vision for their communities. But, we will want to see evidence of attractive, well-designed places with local support.

Garden villages

Eligibility criteria

12. To be considered for government support under this section of the prospectus, proposals for a new garden village must meet the following criteria:

Size

13. For the purposes of this prospectus, we are defining garden villages, to include proposals that are not eligible under our existing offer, which is restricted to new garden towns and cities of over 10,000 homes. Therefore, to be eligible under this section of the prospectus, **proposals must be for a new settlement of 1,500 – 10,000 homes.**

Free-standing settlement

14. The garden village must be a new discrete settlement, and not an extension of an existing town or village. This does not exclude proposals where there are already a few existing homes.

Local authority-led

15. To support wider housing and growth ambitions, expressions of interest must be led by local authorities. We also welcome expressions of interest which include support from private sector developers and/or landowners.

Prioritisation criteria

16. There is no single model for the garden villages that we expect to support. Our intention is to support a range of proposals at different scales and in diverse locations that may, for example, be on land currently allocated for housing or currently outside the Local Plan. The factors we expect to take into account in deciding which expressions of interest to support include those set out in paragraphs 17 to 29.

Local leadership and community support

17. New garden villages should have the backing of the local authorities in which they are situated. We expect expressions of interest to demonstrate a strong local commitment to delivery. They should also set how the local community is being, or will be, engaged at an early stage, and strategies for community involvement to help ensure local support.
18. For those new settlements on the larger scale, it will be desirable for the Local Enterprise Partnership to be supportive of the proposal. This is to ensure that the potential economic benefits have been considered.

Quality and design

19. Good design is essential if we are to create sustainable places where people want to live and be part of the local community. It will be important for expressions of interest to demonstrate how the garden village, will be well-designed, built to a high quality, and attractive. Use of qualitative and quantitative research on local public opinion will be welcomed on issues around design and community.

Public sector and brownfield land

20. We encourage expressions of interest which make effective use of previously developed land (brownfield land) and/or public sector land.

Local demand

21. It is important that new garden villages are built as a response to meeting housing needs locally. We expect expressions of interest to demonstrate how the new settlement is part of a wider strategy to secure the delivery of new homes to meet assessed need.

Viability and deliverability

22. Expressions of interest need to demonstrate how the new settlement, including the necessary infrastructure, will be delivered. Effective land value capture can play an important role in funding infrastructure costs. We would encourage proposals that set out how land costs can be minimised, or land receipts deferred.
23. Whilst expressions of interest should be ambitious in their aims, they must also demonstrate a credible route to delivering quality places without additional public subsidy.

Additional or accelerated delivery

24. We will want to support expressions of interest that offer a strong prospect of quantified early delivery, a significant acceleration of housing delivery, and genuinely additional housing supply. We welcome expressions of interest that demonstrate how build-out of the garden settlement can be achieved at pace, for example by providing a good mix of tenures and multiple outlets.

Starter homes

25. High quality starter homes, to be offered at least a 20% discount for young first-time buyers, have a place within well-designed new communities. Like other major developments, it is our intention for new garden villages to be subject to our new statutory requirement in the Housing and Planning Bill, and provide a proportion of starter homes as part of their section 106 agreements (details of which we will be consulting on).

26. We welcome expressions of interest that show the greatest ambition to ensure that first-time buyers enjoy the benefits of home ownership, and have the opportunity to be an important part of the community.

Support for small and medium enterprise home builders

27. We encourage expressions of interest which provide opportunities to promote a diverse range of house builders, including small and medium sized firms, in the delivery of the garden village.

Innovation

28. We encourage expressions of interest that include innovative forms of delivery such as off-site construction, self-build, custom-build and a direct commissioning approach. We will also consider expressions of interest from local authorities who wish to be innovative in ways which we may not have anticipated.

Infrastructure

29. We would like to ensure that infrastructure needs are clearly assessed and met as part of any proposal.

Government support package

30. We recognise that each new garden village will be unique and each proposal will vary in the support required from government. Local authorities will therefore want to consider what aspects of the package set out in paragraphs 31 to 44 will help enable delivery.

Delivery enabling funding and support

31. To support local authorities in realising their vision for new garden settlements, we can provide a tailored package of support that could include a limited amount of funding. That funding could for example be used to ensure the local authority has the right skilled staff in place or pay for key studies and assessments. This funding is available in 2016-17 and 2017-18, with further funding subject to review.
32. In addition, direct support can also be provided by the Homes and Communities Agency (HCA), including through their Advisory Team for Large Applications (ATLAS). The assistance provided would be bespoke to each local authority, but might typically have a focus on providing expertise around planning for delivery.

Brokerage

33. The garden villages we commit to supporting will be a priority for delivery. We can play a key role across government in helping local authorities overcome barriers to delivery, and broker solutions to unblock any issues that arise.

Access to government housing funding streams

34. There are a number of funding streams which, subject to eligibility, could be open for successful expressions of interest to secure priority access. These include:
35. *Starter Homes Fund*: there is an opportunity to access funding for more starter homes from our £2.3 billion funding for starter homes if the additional starter homes are built out by 2020.
36. *Affordable Housing*: new proposals will also have an opportunity to access funding to deliver shared ownership, rent to buy and supported housing by 2020/21.
37. *Help to Buy: Equity Loan* will be available until March 2021, offering an equity loan of up to 20% of the purchase price, and enabling people to buy a new-build home with a deposit as low as 5%. This would provide the opportunity for people unable to save for a large deposit, but able to make regular mortgage payments, to realise their dreams of owning their own home.
38. We will also work with places we are supporting to help them navigate and seek funding from other sources of government funding, for example, the Home Building Fund, the free schools programme, and other roads and rail capital programmes.

Financial flexibilities

39. We welcome ideas about how additional financial flexibilities could unlock the delivery of garden villages. Where we support expressions of interest with ambitious proposals, we stand ready to explore options to improve viability and cashflow.

Planning freedoms

40. We are interested in working with local authorities which have a good track record of housing delivery who are prepared to commit to delivery of housing over and above their objectively assessed housing need through the creation of new garden villages.
41. In exchange for guaranteed housing delivery, we will work with you to identify and deliver planning freedoms to support housing growth including, for example, ensuring that there is greater ability to resist speculative residential planning applications, and to continue protecting the Green Belt.

Delivery vehicles

42. A dedicated delivery vehicle may, in some circumstances, be beneficial to lead on the planning, development, and building of the new garden village.
43. There are many forms that this could take, from publicly-led arm's length bodies, public-private partnership arrangements such as joint venture companies, or, for particularly complex proposals, a statutory development corporation. We are

committed to legislating to update the New Towns Act 1981 to ensure there is a fit for purpose vehicle for the delivery of new garden villages.

44. We are not prescribing any particular model, but we can support local authorities consider what the most appropriate delivery arrangements will be to ensure that the main partners are able to take key decisions effectively.

Application process

Who can apply?

45. An expression of interest must be submitted by a local authority. We would welcome bids that are supported by private sector developers and/or landowners.

How to apply

46. Expressions of interest must be **submitted by 31 July 2016** through the Homes and Communities Agency at garden.villages@hca.gsi.gov.uk. The HCA, both through their operating area network and ATLAS, is available to provide support in developing expressions of interest.
47. Expressions of interest must be able to demonstrate clearly that they meet the requirements set out in this prospectus. They should provide an indication of the tailored government support they are seeking and key issues that may require brokerage from government.
48. We are not prescribing a particular format for expressions of interest, but we would expect them to articulate a clear vision for the new garden village, with reference to the prioritisation criteria outlined above, and include specifically:
 - a map setting out the proposed site boundary
 - a general description of the proposal, including both policy aims and technical aims so far as they can be known (such as housing numbers, likely delivery methods, retail and other commercial space, extent of green space, timescale for delivery etc)
 - evidence which demonstrates that the scheme responds to issues of local affordability, and that there is strong growth potential over the medium to long-term
 - information on the specific advice and technical research that will be undertaken should the bid be successful
 - available evidence on scheme viability, including infrastructure costs and any abnormal costs
 - if available, any analysis/data evidence on the financial, social and economic benefits of the proposals
 - evidence on design and local consultation

- any information on transport infrastructure projects underway or committed around the proposed area

Shortlisting stage

49. The HCA will consider expressions of interest taking account of the criteria set out above.
50. Final decisions on which expressions of interest to support will be made by DCLG ministers in the light of advice from HCA and DCLG officials. All applicants will then be informed of the outcome.

Further information

51. For further information please contact the Homes and Communities Agency at garden.villages@hca.gsi.gov.uk

Garden towns and cities

Criteria for support

52. In considering whether to provide government support to expressions of interest for new garden towns and cities under this section of the prospectus, we will take account of the criteria set out in paragraphs 53 to 67. For the most part, these mirror those set out for garden villages in the previous section, but with some changes to reflect the scale of proposals:

Size

53. The new garden town, or city, must provide **at least 10,000 new homes**. This may be on a new site away from existing settlements, or take the form of transformational development, both in nature or in scale to an existing settlement.

Local authority-led

54. Expressions must be led by local authorities. We also welcome expressions of interest which include support from private sector developers and/or landowners.

Local leadership and community support

55. We expect expressions of interest to demonstrate a strong local commitment to delivery. New garden towns and cities should have the backing of local authorities in which they are situated, including the county council in two-tier areas. To ensure that the potential local economic impacts and benefits have been considered they should also have the explicit support of the Local Enterprise Partnership(s).

56. Expressions of interest should set how the local community is being, or will be, engaged at an early stage, and strategies for community involvement to help win local support.

Quality and design

57. Good design is essential if we are to create sustainable places where people want to live and be part of the local community. It will be important for expressions of interest to demonstrate how the garden town, or city, will be built to a high quality, well designed and attractive. Use of qualitative and quantitative research on local public opinion will be welcomed on issues around design and community.

Public sector and brownfield land

58. We welcome expressions of interest which make effective use of previously developed land (brownfield land) and/or public sector land.

Strategic fit

59. The delivery of a garden town, or city, will be a long-term project which is likely to have implications for how housing need is met locally, inform future decisions around strategic transport and other infrastructure, and impact on the location of future employment growth. We expect expressions of interest to demonstrate how the delivery of the new settlement fits with wider strategies for housing growth to meet assessed need, creating new jobs and the delivery of infrastructure to underpin growth.

Viability and deliverability

60. We recognise that the successful delivery of a new garden town, or city, is a complex project. We do not expect expressions of interest to provide a full set of answers about how the settlement will be delivered, but we will want to see clear thinking and ambitious proposals about how private sector finance can be leveraged in, opportunities to capture land value to fund infrastructure, and future infrastructure needs.

61. We will review with local areas the need for additional investment in infrastructure to support the full delivery of the garden town over time, but we would expect to see credible proposals for significant development without the need for further public subsidy. We welcome proposals that are located with good access to either existing or planned strategic transport infrastructure to provide local and national connectivity.

Additional or accelerated delivery

62. We will want to support expressions of interest that offer a strong prospect of quantified early delivery, a significant acceleration of housing delivery, and genuinely additional housing supply. We welcome expressions of interest that demonstrate how build out of the garden town can be achieved a pace, for example by providing a good mix of tenures and multiple outlets.

Starter homes

63. High quality starter homes, to be offered at least a 20% discount for first time buyers, have a place within well-designed new communities. Like other major developments, it is our intention for new garden towns and cities to be subject to our new statutory requirement in the Housing and Planning Bill, and provide a proportion of starter homes as part of their section 106 agreements (details of which we will be consulting on).

64. We welcome expressions of interest that show the greatest ambition to ensure that first-time buyers enjoy the benefits of home ownership, and have the opportunity to be an important part of the community.

Support for small and medium enterprise home builders

65. We welcome expressions of interest which provide opportunities to encourage a diverse range of house builders, including small and medium sized firms, in the delivery of the garden town.

Innovation

66. We encourage expressions of interest that include innovative forms of delivery such as off-site construction, self-build, custom-build and a direct commissioning approach. We will also consider expressions of interest from local authorities who wish to be innovative in ways which we may not have anticipated.

Infrastructure

67. We would like to ensure that, where possible, infrastructure needs are clearly assessed and met as part of any proposal.

Government support package

68. We recognise that each new garden town and city will be unique, and each proposal will vary in the support required from government. Local authorities will want therefore, to consider which aspects of the package set out in paragraphs 69 to 82 will help enable delivery.

Delivery enabling funding and support

69. To support local authorities in realising their vision for new garden towns, we can provide a tailored package of support that could include a limited amount of funding. That funding could for example be used to ensure the local authority has the right skilled staff in place or pay for key studies and assessments. This funding is available in 2016-17 and 2017-18, with further funding subject to review.

70. In addition, direct support can also be provided by the Homes and Communities Agency, including through their Advisory Team for Large Applications (ATLAS). The assistance provided would be bespoke to each local authority, but might typically have a focus on providing expertise around planning for delivery.

Brokerage

71. We can play a key role across government in helping local authorities overcome barriers to delivery and broker solutions to unblock any issues that arise. The garden towns we commit to supporting will be a priority for delivery and we will escalate issues that stand in the way of securing that, with a view to securing their prompt and effective resolution.

Access to government housing funding streams

72. There are a number of funding streams which, subject to eligibility, could be open for successful expressions of interest to secure priority access. These include:
73. *Starter Homes Fund*: There is an opportunity to access funding for more starter homes from our £2.3 billion funding for starter homes if the additional starter homes are built out by 2020.
74. *Affordable Housing*: New garden towns will also have an opportunity to access funding to deliver shared ownership, rent to buy and supported housing by 2020/21.
75. *Help to Buy: Equity Loan* will be available until March 2021, offering an equity loan of up to 20% of the purchase price, and enabling people to buy a new-build home with a deposit as low as 5%. This would provide the opportunity for people unable to save for a large deposit, but able to make regular mortgage payments, to realise their dreams of owning their own home.
76. We will also work with places we are supporting to help them navigate and seek funding from other sources of government funding, for example, the Home Building Fund, the free schools programme, and other roads and rail capital programmes.

Financial flexibilities

77. We welcome ideas about how additional financial flexibilities could unlock the delivery of garden towns and cities. Where we support expressions of interest with ambitious proposals, we stand ready to explore options to improve viability and cashflow.

Planning freedoms

78. We are interested in working with local authorities which have a good track record of housing delivery who are prepared to commit to delivery of housing over and above their objectively assessed housing need through the creation of new garden settlements.
79. In exchange for guaranteed housing delivery, we will work with you to identify and deliver planning freedoms to support housing growth including, for example, ensuring that there is greater ability to resist speculative residential planning applications, and to continue protecting the Green Belt.

Delivery vehicles

80. Delivering a new garden town of over 10,000 homes will need strategic long-term thinking and robust delivery arrangements. There are many forms that this could take, from publicly-led arm's length bodies, public-private partnership arrangements such as joint venture companies, or statutory development corporations. We are committed to legislating to update the New Towns Act 1981, to ensure there is a fit for purpose vehicle for the delivery of new garden towns available.

81. We consider that a New Town Development Corporation may be a good option for delivery at this scale. It will be able to focus on resolving complex co-ordination challenges, can compulsorily purchase land under the 'no scheme' rules, and will be able to provide long-term planning certainty that is likely to be attractive to private sector investors and landowners.
82. We are not prescribing any particular model. We are happy to help local authorities consider what the most appropriate delivery arrangements will be to ensure that the main partners are able to take the key decisions effectively.

Application process

Who can apply?

83. An expression of interest must be submitted by a local authority.

How to apply

84. Expressions of interest for new garden towns are invited on an ongoing, rolling basis from interested local authorities, rather than being subject to any fixed deadline. We would accept the submission of a formal expression of interest to have been preceded by a period of engagement with DCLG and HCA.
85. Expressions of interest must be able to demonstrate clearly that they meet the requirements set out in this prospectus. They should provide an indication of the tailored government support they are seeking and key issues that may require brokerage from government.
86. We are not prescribing a particular format for expressions of interest, but expect them to articulate a clear vision for the new garden town with reference to the criteria outlined above and include specifically:
- a map setting out the proposed boundary of the garden town or city
 - a general description of the proposal, including both policy aims and technical aims so far as they can be known (such as housing numbers, likely delivery methods, retail and other commercial space, extent of green space, timescale for delivery etc)
 - evidence which demonstrates that the scheme responds to issues of local affordability and the wider strategic needs of the local area, and that there is strong growth potential over the medium to long-term
 - information on the specific advice and technical research that will be undertaken should the bid be successful
 - available evidence on infrastructure costs and any abnormal costs and how it is anticipated these will be met
 - if available, any analysis/data evidence on the financial, social and economic benefits of the proposals

- evidence on design and local support
- any information on transport infrastructure projects underway or committed around the proposed area

87. Expressions of interest should be made by email to DCLG at locallyledgardencies@communities.gsi.gov.uk.

Selecting sites for support

88. Final decisions on which expressions of interest to support will be made by DCLG Ministers in the light of advice from DCLG and HCA officials.

Further information

89. For further information please contact DCLG at locallyledgardencies@communities.gsi.gov.uk.