

## Insights

# NEW TOWNS TASKFORCE REPORT: AN AMBITIOUS FRAMEWORK FOR NEW HOMES IN THE UK

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The UK government has set itself an ambitious target for home building: 1.5 million new homes over the next Parliament with a target of 300,000 new homes per year. In the 12 months to June 2025, approximately 200,000 new homes were built according to the number of first Energy Performance Certificates lodged. If the government wants to achieve its goal, it will need a clear and ambitious programme to speed up the delivery of new homes.

The New Towns Taskforce (NTT), set up in September 2024, has now provided its report to the government, which outlines a comprehensive framework for the development of 12 potential "new towns". In response to the growing housing crisis and the need for sustainable growth, the government has embraced the recommendations of the NTT and, while not a standalone solution for the government to achieve their target, it could significantly contribute to the government's wider house-building promises.

This article takes a closer look at the report and considers the construction, power and planning implications.

For more information, see:

- Legal update, Taskforce recommends twelve locations for next generation new towns.
- New Towns Taskforce: Report to governmentOpens in a new window and Initial government response - September 2025

REPORT: KEY FEATURES

Published in September 2025, the NTT's report lays out proposals to create vibrant, well-connected, and environmentally resilient towns. It should be noted that these are not supposed to just be housing developments, but rather whole community plans with schools, healthcare, green spaces, and transport links expected to be built in from the start.

The NTT identifies a shortlist of 12 recommended locations across England, chosen for their potential to deliver large-scale housing and support long-term economic growth. These include standalone and new settlements in Cheshire East, East Devon and Central Bedfordshire, inner city and urban development in Manchester, Leeds and Plymouth, expanded developments in North London, South Gloucestershire and Wychavon, as well as:

- The creation of a riverside settlement in Thamesmead, Greenwich, which includes the proposed extension of the Docklands Light Railway.
- A "Renewed Town" in Milton Keynes, which includes redeveloping the city centre, expanding developments around the periphery of the town, and connecting these with a rapid transit system.
- Redeveloping the former airbase at Heyford Park, Cherwell.

Together, the NTT proposes these sites could deliver at least 300,000 new homes, with most sites expected to exceed the 10,000-home threshold. It emphasises the importance of getting the foundations right. That means ensuring essential services are in place from day one, designing towns that are climate-resilient, and involving local communities throughout the planning process.

The NTT also recommends the use of dedicated development corporations with special powers and authority (for example, in relation to planning approvals) to oversee delivery, ensure projects stay on track and meet high standards. A similar approach was taken in developing London's Olympic Village and the surrounding Queen Elizabeth Olympic Park.

The government has welcomed the NTT's recommendations and committed to publishing a full response in Spring 2026.

#### POWER CONSIDERATIONS: TURNING ON LIGHTS IN THE NEW TOWNS

Energy and power infrastructure are a fundamental pillar of any new development. Recent public failures across the water sector and ageing energy infrastructure (especially across the transmission sector) as well as an ever-growing power demand with the rise of AI and digital technology, mean that we must focus on the wider picture and take into account how our utilities will be sourced, maintained and priced. While the Planning and Infrastructure Bill, and its stated aim of streamlining planning processes for infrastructure developments and empowering local authorities, is undoubtedly a step in the right direction, these proposals have to be put into practice and lead to tangible improvements in planning processes.

A clear delivery strategy for power and utilities is paramount as the challenge we face is to build low carbon energy-efficient homes. One potential solution would be to build private off-grid solutions for each development which doesn't add extra burden and strain onto an already creaking national transmission system. This could involve a community heat network (with stored heat

capacity) or a solar PV generation system with co-located back-up battery storage into a self-sufficient localised mini grid. PV cell technology has advanced significantly, leading to usable, consumer-friendly home solar panels, including ones that can simply be draped over a balcony. At the same time, home-based battery storage has become possible, and smart technologies and demand-side management systems are being rolled out. These developments create limitless opportunities to establish net zero new homes. Developments in Brent Cross, King's Cross, and Quintain Living in Wembley demonstrate the benefits of integrated electricity and heat networks. However, a particular risk that would need to be addressed is compliance with standard industry conditions as private wires and behind the meter power developments are subject to less regulatory oversight than full grid connections.

For more information on the Planning and Infrastructure Bill, see Legal update, Planning and Infrastructure Bill 2024-25: planning aspects.

# CONSTRUCTION CONSIDERATIONS: BEYOND BRICKS, BOLTS AND CONTRACTS

The NTT's proposal for 12 new towns is a major opportunity for the UK construction sector, but their delivery will hinge on careful execution across community, commercial and technical fronts.

## **COMMUNITY CONSIDERATIONS**

Securing local buy-in is essential. Reports of limited consultation around proposed sites have fueled concerns about the effects of large-scale development on the local areas. Construction-phase noise and disruption, and long-term pressure on transport and social infrastructure, will be acute, particularly at the proposed sites in rural-leaning locations. Early stakeholder engagement will be essential, with clear commitments on phasing, infrastructure investment, mitigation measures and communication. These should be captured in transparent agreements to align expectations and reduce the risk of creating tensions with the existing communities.

## NAVIGATING CHANGE AND THE IMPORTANCE OF COLLABORATION

A decade of shocks, namely Brexit, Covid, supply volatility, high rates of inflation and the Grenfell Tower fire, have all increased insolvency risk, dampened investment and exposed persistent skills gaps, compounded by the bedding-in of the new building safety regime. The sector's response has been a shift towards collaboration, co-operation and good faith, reflected in government and industry guidance (such as the Construction Playbook and Trust and Productivity) and standard forms such as NEC4 and JCT 2024. The NTT prioritises public-private collaboration and coordinated delivery across developers, authorities and communities, as well as emphasising the importance of having clear contractual arrangements in place to achieve this. The choice and consistent application of standard forms, and the extent to which they are adapted or mandated, will be decisive for risk allocation, programme certainty and dispute avoidance.

For more information, see

- Practice note, Procurement: common construction procurement methods.
- Article, NEC and JCT: good faith compared.
- Building safety toolkit.
- Construction tracker: Construction Playbook.

#### **USE OF TECHNOLOGY**

Digital tools and construction technology now underpin collaborative delivery, integrating design, programme, cost, quality and safety management. For new towns, adoption could be mandated across the supply chain, with interoperable data standards, robust information management, and measurable performance outcomes. The NTT's backing for innovation and modern methods of construction (MMC) is critical: stable pipelines can support MMC investment including on-site manufacturing, improving productivity and local skills while de-risking supply.

For more information, see Practice note, Construction products: Government procurement and MMC.

#### **PRICING**

Pure lump-sum models are increasingly difficult to place in a volatile market. New town development companies and their supply chains can expect heightened scrutiny of retentions, payment security and insolvency protections. Target cost contracts with pain/gain share, alliancing and Integrated Project Delivery can better align incentives and require collaboration to better manage uncertainty. Whatever the model, contracts must be tightly drafted, operationally clear and complemented by decisive governance to minimise disputes.

#### For more information, see:

- Practice note, Procurement: common construction procurement methods.
- Practice note, Partnering or alliancing on a construction or engineering project.
- Article, JCT Target Cost Contract, 2024 Edition: first impressions.

#### **ENVIRONMENTAL CONSIDERATIONS**

The NTT asserts that new towns must be climate-resilient and nature-positive, with targets for energy performance, renewable generation, water, waste, district systems and flood risk. To achieve this, carbon and biodiversity net gain requirements should be embedded contractually, using available standard-form mechanisms (for example, climate options in NEC and updated climate clauses in JCT 2024) where appropriate. Government selection of consistent carbon

metrics, and their translation into technical schedules, measurement rules and verification protocols, will be key to enforceability and outcomes.

- Climate change toolkit.
- Practice note, Biodiversity net gain on developments under the Town and Country Planning Act 1990 (BNG).
- Practice note, Climate change clauses for construction contracts.
- Construction climate change tracker.

### PLANNING CONSIDERATIONS: DEVELOPMENT CORPORATIONS IN THE SPOTLIGHT

The NTT recognises the critical role of the planning system in delivering the objectives of new towns and rightly, the benefits of development corporations in streamlining the planning process. Development corporations have a good record of delivery and are generally considered attractive vehicles for large scale new developments. New settlements, urban extensions and large-scale regeneration projects have a long history of being successfully delivered through development corporations. By way of example, a similar approach was taken to develop London's Olympic Village and the surrounding Queen Elizabeth Olympic Park (albeit there are various different statutory powers for development corporations and the Mayoral Development Corporation for this scheme was constituted under the Localism Act 2011 rather than the New Towns Act 1981 (or other legislation)). Recent changes in the Levelling Up and Regeneration Act 2023 and forthcoming Planning and Infrastructure Bill will provide these bodies with enhanced, standardised and more flexible powers, to make them more effective in delivering large scale-housing and infrastructure. This is all within the context of the government's ambitious policy to increase the supply of homes and sits alongside a series of measures, including its amendments to the National Planning Policy Framework.

The NTT recommends that a development corporation should become the local planning authority when developing a new town. Giving development corporations the full suite of planning and land assembly powers would provide a clear mandate for development, although it would be important for development corporations to exercise their compulsory purchase order (CPO) powers to gain control of strategic land. Such an approach to planning and land assembly would give greater certainty to developers, bringing the public and private sector together to create the commitment that would be essential to deliver new towns effectively. However, development corporations are not necessarily a magic bullet to the speedy navigation of the planning system for developers and development and still depends very much on a stable local political environment as a collaboration and partnership with existing local authorities.

For more information, see:

- Levelling-up and Regeneration Act 2023 planning toolkit.
- Legal update, Revised National Planning Policy Framework (NPPF) published.
- Legal update, Planning and Infrastructure Bill 2024-25: planning aspects.
- Compulsory purchase orders toolkit.

#### **SUMMARY**

The NTT's mission was to identify suitable locations and provide strategic recommendations for planning, funding, and delivering large-scale, sustainable communities that address housing shortages and promote economic growth. While the government has already accepted the NTT's recommendations, we will await their detailed response in Spring 2026. However, it is clear that if the government wishes to uphold its promises on new home building targets, it will undoubtedly need to commit to actioning the accepted proposals imminently.

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