



# Eco towns – progress to date

## Key issues

Concept emerged as a way of ecologically addressing the housing shortage

Local opposition and concern about quality have emerged

Eco challenge panel reported on the quality of original submission shortlist

The final 10 submissions to progress will be made known in early 2009

## 1. Introduction

Eco towns are a response to a number of major social, economic and environmental problems and as such they have had a high profile ever since the first announcement. The growing housing shortage, greater demand for and a decline in house building, increases in the cost of housing, concern about climate change and energy management, protection of the environment and demographic changes have all combined to focus attention on a solution to housing problems which addresses a range of concerns. The Government has put forward the idea of eco towns as one way forward to provide the extra homes needed.

Such is the depth of feeling which has emerged since the potential sites were announced that there have been developments on a weekly basis. This briefing will look at some of the major issues about eco towns and provide an update on the latest progress around the debate.

## 2. What are eco towns?

The Government's thinking, as outlined in the Eco towns Prospectus (DCLG, July 2007) is that eco towns will be small new towns of between 5,000 and 20,000 homes. They will be zero carbon new settlements providing sustainable living using new approaches in design and architecture. The then Housing Minister Yvette Cooper said that "Homes need to be built in truly mixed communities with strong economic underpinnings to support jobs and sustainable growth" as an overall aim.

The key features were noted as follows

- places with a separate and distinct identity but good links to surrounding towns and cities in terms of jobs, transport and services;

- the development as a whole to achieve zero carbon and to be an exemplar in at least one area of environment technology;
- a good range of facilities within the town including a secondary school, shopping, business space and leisure;
- between 30 and 50 per cent affordable housing with a good mix of tenures and size of homes in mixed communities; and
- a delivery organisation to manage the town and its development and provide support for people, businesses and community services.

Specific guidance was provided on the following elements of the planned eco towns – code for sustainable homes; design; transport and infrastructure; community; employment; health; land use; planning and funding.

It is expected that a dedicated delivery body will plan, oversee and develop the major infrastructure needed to establish the town. This could be a local authority led body, a cross sectoral trust or a statutory body such as a new town development corporation. The arrangements in each case will depend upon local circumstances but there will be a need across all eco towns to provide for the long term maintenance and endowment of community assets.

## **2. The context for developing eco towns**

Higher demand for housing, a growth in the number of households, increases in house prices and growing waiting lists (the LGA estimating that there could be 2 million households (5 million people) on council waiting lists within 2 years) have led to housing rising to the top of the political agenda. The building of houses has declined dramatically leading to shortages with supply, prices have risen significantly and the cost of a home is beyond many first time buyers. The climate change debate is also an influencing factor prompting the government to build this into the Code for Sustainable Development. Government plans for 240,000 homes to be built each year (with a target of 3 million more homes by 2020) are ambitious and reflect the Government's appreciation of the scale of the problem. However estimates claim that the number of houses that will be completed this year will be between 100,000 and 130,000, reflecting a decline of between 25% and 40% on the previous year.

## **3. Progress to date**

Bids were received from 57 applicants following the original call for bids in summer 2007. Of these 57, DCLG included 15 in a shortlist in April 2008 with the intention of declaring the final 10 to be taken forward in the summer of 2008. Latest announcements are that it will not be until early in 2009 that the final 10 sites are identified.

An Eco towns Challenge Panel has been established, made up of experts in transportation, waste management, environmental issues, housing, design, energy use and sustainability, to ensure the proposed sites meet the highest standards and create world-leading sustainable developments. Having met with every eco town promoter and local authority representatives for the majority of locations, the Challenge Panel has released two reports.

The first report raised a number of points for consideration by promoters of eco towns including

- ownership of a vision for the eco town,
- mechanisms for development control and high design quality, protection of quality over the long term, securing community involvement
- how a functional green infrastructure strategy provides for development and measurable reductions in the heat island effect, water management and flood/drought amelioration, increases biodiversity, fosters local food production and provides outdoor recreation and leisure spaces
- how residents of eco towns will be able to reduce their carbon and ecological footprint and how transport strategies will reduce private fossil fuel based car travel
- the viability of the town to become self –sufficient
- ways of extending the variety of tenure and development methods
- facilities for teenagers.

The promoters of the eco towns were asked to re-consider their developments and return with updated plans taking the points raised by the panel into consideration.

The second report was made available in July 2008 and the panel members were encouraged that many of the proposals had shown significant progress. The following issues were highlighted in some of the schemes and received praise from the panel

- focus on a neighbourhood structure to the housing layouts
- use of community trusts
- governance structures
- electric bus and fuel cell technology
- ensuring proposals were in line with local authorities strategy for the area
- innovative tenures for looking at gradation from renting to ownership
- reducing energy demand and
- three year trials for new homes design.

The following were noted as problem areas needing further attention

- plans to reduce individual's carbon and ecological footprints
- how developments will reduce the environmental impact of construction
- how continuity of ownership will be achieved after community trusts
- schemes lacking a sense of place
- lack of clarity over the extent of employment in the eco town
- projections of population growth
- transport strategy doesn't meet targets for an eco town
- more precise proposals needed for bus rapid transit scheme
- establish targets for recycling and waste management
- how high levels of recycling will be encouraged
- how individual carbon footprint will be reduced from 12 to 2 tonnes by 2050
- provision of clear evidence of how targets can be met
- provision of clear standards for a range of activities

- develop the concept of phasing further
- communication with existing community over eco towns and their impact
- land to be released for self-build plots
- how will the eco town connect to local food distribution markets

#### **4 Planning Process**

‘Eco towns – living a greener future: progress report’ issued by DCLG in July notes that a draft Planning Policy Statement (PPS) will be issued in September along with the Sustainability Appraisal (covering national policy and standards on eco towns and assessments of each location). The PPS will also be seeking views on how the planning process should be applied. The progress report looks at how eco towns should be considered as local plans or local development frameworks (LDF) are reviewed.

With reference to planning applications, the progress report states that the statutory development plan is the starting point for consideration alongside all national planning policy statements. It goes on to say that the draft eco towns PPS and the list of locations emerging from the sustainability appraisal process will be national policy and therefore a significant material consideration in the decision, but will need to be considered alongside all other national policies.

Where the LDF has made provision for an eco town in the same location the application should be treated favourably as long as it meets the standards. Where it has not made provision and the LDF is up to date, it may be refused on the grounds that the plan has already made provision for all housing needed.

Where the LDF has not made provision for an eco town but the plan is out of date the local council should consider the application on its merits and against the following criteria:

- that it meets the eco town standards
- the location is in the eco towns programme and has been tested through a sustainability appraisal
- that the developer has shown this location as a good place for an eco town compared with other alternative locations
- that the eco town does not have an adverse impact on other preferred locations for housing development or on the ability of the council to meet its wider housing objectives.

Although the PPS will be seeking views on how the planning process should be applied, DCLG have already stated that each eco town developer will have to put a planning application into the relevant councils. They have set out their current proposals but state that final decisions will be based on ongoing consultation.

#### **5 Next Stage**

The next stage of consultation from September will be on the draft eco town PPS and on more detailed assessments of the 13 locations. In early 2009, the final PPS will be published and a final list of locations with the potential to be an eco town. Following that, individual schemes will then need to submit planning applications

which will be decided on the merits of worked up proposals. Public exhibitions and further information to keep the public informed will be available in the September and October close to the sites of eco towns and the developers will also be undertaking activity to inform and consult with the public on the specifics of their proposals.

The sustainability appraisal will provide more detail on environmental sustainability and other issues for each location tested against reasonable alternatives. A consultancy has been appointed to assess the feasibility and viability of each scheme including an appraisal of the financial model for the scheme, with the aims being to test the robustness of the overall model for the site and provide a framework for any Section 106 negotiations at the planning stage.

## **6 Comment**

Finding a solution to the housing supply problem which is sustainable, reduces carbon emissions, meets growing calls for attractive design and enables the development of mixed and cohesive communities, has become a vital task.

It is difficult to conceive of housing targets being met without new settlements being built on a more comprehensive basis in the long term. However current economic conditions appear to rule out eco towns, as described in the Prospectus at least, being delivered prior to 2016.

Eco towns are only one of a number of tools which can be used to meet housing targets and the focus should not be on eco towns to the detriment of other approaches. However the lessons that are learnt from the innovative ideas that accompany the eco town concept can be applied to eco-quarters or eco-extensions within existing built up areas. The Government must also look at the existing housing stock if it is to make a sizeable reduction in carbon emissions, especially as 70% of today's homes will still be lived in 2050. Investing in the existing housing stock is a far more effective use of resources in terms of ecological benefit and can not be ignored; however effective new build is in meeting targets for housing.

APSE has argued previously for alternative approaches to funding a renewed council house building programme and it seems that the time is right for councils to resume building homes to meet the 3 million homes target and to further their place shaping role in building sustainable communities. The market does not have the capacity to address the shortage currently and there is no reason to think councils could not contribute significantly to building eco towns or other housing developments.

Eco towns will not be a cheap option or provide an instant solution. The concept will need sustained commitment and investment over a long period for infrastructure and to build communities.

### Eco towns Challenge Panel

The second report from the Challenge Panel notes that progress has been made in a number of plans which reflects the fact that the developers are listening to the panel and acting on some of their suggestions but these changes must be viewed in

context. While it may well be that the developers are driven by a desire to build truly leading edge towns heralding new approaches to how we live work and move around, some of the original plans failed to address the most fundamental criteria. Such errors make it easy for protesters to criticise developers as looking only at commercial gain by building housing estates.

The panel were not completely happy with the updated proposals and the list above notes some areas where further action was needed. For example, plans to reduce individual's carbon and ecological footprints and to develop a sense of place needed be improved, population projections were not fully worked through and communication with local people needed further attention. These are areas one would expect to be covered at an earlier stage but it seems some of the developers are still struggling with basic elements of their proposals and how they will fit with the wider context.

Three of the potential sites (Greater Norwich, Leeds/Selby and Rushcliffe) have not been assessed to date because final sites have not yet been identified nor proposals drawn up. The date given for declaration of the final 10 eco towns has already been put back and there is a danger that it will slip further if potential sites and plans are not confirmed.

#### Legal position

The LGA's legal statement adds confusion to the process. There is an established planning system in place in this country and eco towns must stick to the essence of the system. If they are seen to bypass the process without involving relevant elected and representative bodies and local people, then protests will be fully justified. However in response to the LGA statement, the DCLG claims it is committed to ensuring eco towns will only progress as part of the plan led system. The DCLG must make its position clear following consultation and either stick to the established system or put in place a quicker process which has appropriate opportunities for consultation and appeal. Allowing these developments to get bogged down in a drawn out administrative process would be a disincentive to developers and result in increased costs.

#### Housing provision v ecological innovation

The Government's plans are to build 3 million homes by 2020. There are 10 eco towns planned and even if all are built at the upper limit of 20,000 homes they will amount to 200,000 homes – equivalent to less than 7% of the overall target. The first point to consider here is their primary role. As a contribution to the total number of homes needed, eco towns will not be substantial although the impact upon each of the families who will live in these developments is significant. What this means is that the ecological element of the initiative should have a much higher profile. As an exercise in providing examples of environmental sustainability they must be a success. If eco towns are not built, the impact on housing numbers will be minor. However of far greater importance, an opportunity to show how new ways of building, living and working can address our environmental problems will be lost.

#### Global economic downturn

The global economic downturn is having an impact on the construction industry with many reducing staff, moth balling schemes, closing regional offices and losing

money. As a solution to the housing problem eco towns are not a cheap option. The Government must be realistic and appreciate eco towns may not be viable for developers under current economic conditions, given the investment needed in high environmental standards, infrastructure requirements and research and development costs.

Furthermore the Government expects all new homes to meet level six of the Code for Sustainable Homes by 2016. However sources in the construction industry note that level 3 is becoming standard now and there will be a very steep learning curve to be overcome in the next 8 years if level 6 is to be reached. The global economic downturn will impact upon research and development and many in the industry feel that this level 6 by 2016 is a step too far.

### Impact on councils

The impact on stock retaining councils will depend on local circumstances. The development of an eco town will clearly have an impact on local supply and housing targets. From a council wide point of view there will be a need to provide statutory services and take a lead role in the development of the scheme.

Recent Government announcements have noted that local authorities should be leading the response to the housing supply problem. Government has not specified that they should be directly building homes but the Prospectus mentions that there should be a good mix of tenures and there appears no reason to rule out new council housing being built. Developers should liaise with the local council on the normal basis to ensure local demand is being met, for example, in terms of the type of affordable housing built.

As an exercise in innovation, councils willing to build their own council houses may benefit from keeping abreast of developments on the basis that there may be opportunities to get involved in new arrangements for delivering council homes.

Small scale council housing schemes are being built and are innovative in their approach to sustainability issues. If the opportunity arises these are the kind of developments which could be incorporated into eco towns. Browtove Borough Council's Plumtre Way and Anderson Crescent schemes can act as good practice examples of what local authorities can do to add value to eco towns.

Management bodies will be responsible for developing and managing eco towns rather than locally elected representatives. This approach contradicts the Government's intention of making councils place shapers and devolving more powers and responsibilities to local authorities. Promoting community trusts to manage some facilities within eco towns may take further services away from local authorities and so reduce the latter's influence over those communities.

The full text of the eco town Challenge Panel's second report can be found at [www.communities.gov.uk/housing/housingsupply/ecotowns/](http://www.communities.gov.uk/housing/housingsupply/ecotowns/)

The 'Eco towns – living a greener future; progress report' can be found at [Eco towns - living a greener future: progress report](#)

Phil Brennan  
Principal Advisor

## **Appendix 1. - Shortlisted sites**

**Bordon, Hampshire** - Between 5,000 and 8,000 homes on a location owned by the Ministry of Defence. A significant number of ex-MoD homes are already on the site, west of Whitehill-Bordon. The proposal could include 2,000 affordable houses in an area of very high affordability pressure.

**Greater Norwich, Norfolk** – potential sites are being investigated following the withdrawal of the proposal at Coltishall.

**Elsenham, Essex** - A minimum of 5,000 homes north-east of the existing Elsenham village. Close to the M11 and the London-to-Cambridge rail line. The scheme could include 1,800 affordable homes in an area of extreme affordability pressure.

**Ford, West Sussex** - Five thousand homes on a site which includes brownfield land and the former Ford airfield. Close to the rail line linking London and the Sussex coast. The scheme could include 1,500 affordable homes, in an area of very high affordability pressure.

**Hanley Grange, Cambridgeshire** - On land adjacent to the A11, 8,000 homes would be built, to improve the severe lack of housing in and around Cambridge. The scheme could include 3,000 affordable homes in an area of extreme affordability pressure.

**Imerys, St Austell, Cornwall** - A development of about 5,000 homes on former china clay workings, industrial land and disused mining pits not needed by owner Imerys. Close to St Austell and could include 1,500 affordable homes, area of extreme affordability pressure.

**Leeds City Region, Selby, West Yorkshire** - Several proposals submitted for locations in this area, between Leeds and Selby. The Leeds City Region Partnership indicated support in principle for an eco town within the sub-region. It proposed a further study to compare the best locations. The government has agreed to support this approach, on the basis that it will allow a further announcement to be made shortly of one or more sites for consultation.

**Marston Vale and New Marston, Bedfordshire** - Up to 15,400 homes on a series of sites, including former industrial sites, along the east-west rail line to Stewartby and Millbrook. The scheme could include 2,000 affordable homes in an area of high affordability pressure.

**Middle Quinton, Warwickshire** – 6,000 homes on a former military depot with a rail link to the Worcester-London rail line. The site is six miles south-west of Stratford-upon-Avon. The proposal could include 2,000 affordable houses in an area of very high affordability pressure.

**Pennbury, Leicestershire** - Between 12,000 and 15,000 homes on a site incorporating brownfield, greenfield and surplus public sector land. Four miles south-east of Leicester. This proposal could include 4,000 new affordable houses in an area of high affordability pressure.

**Rossington, South Yorkshire** - Up to 15,000 homes regenerating the former colliery village of Rossington, three miles south of Doncaster. Housing numbers being reduced. The scheme could include 1,500 affordable homes, in an area of moderate affordability pressure.

**Rushcliffe, Nottinghamshire** - An initial eco town proposal was submitted for Kingston-on-Soar, to the south of Nottingham but was subsequently withdrawn. The Government is

carrying out a further review in partnership with the council to consider whether there is a suitable alternative location within the Rushcliffe local authority area.

**Weston Otmoor, Oxfordshire** - Between 10,000 and 15,000 homes on a site adjoining the M40 and the Oxford-Bicester railway. Three miles south-west of Bicester, the site includes a current airstrip. The scheme could include between 3,000 and 5,000 affordable homes, in an area of extreme affordability pressure.

#### **Withdrawn proposals**

**Curborough, Staffordshire** - Five thousand homes on the brownfield site of the former Fradley airfield, 10 miles from Burton. The proposal could include 2,000 affordable houses in an area of very high affordability pressure. This proposal has been withdrawn.

**Manby, Lincolnshire** - Put forward by East Lindsey DC, there would be 5,000 homes on two sites with large elements of brownfield land, including a former RAF base. The proposal met with massive local opposition to such an extent that the council withdrew it and is looking to concentrate on reducing flood risk and providing affordable homes for the area.