

To Build Community

Infrastructure and Class in the 1.5m New Homes

By Patrick Clarke

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About the author

Patrick Clarke is from Liverpool and currently works as a Policy & Research Officer in the Scottish Parliament. He previously worked in the constituency office of Ashley Dalton MP, having graduated from the University of Oxford in 2023 with a MSt in Modern British History. Patrick will soon begin work as Parliamentary Assistant to Jacob Collier MP.

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Abbreviations

CIL – Community Infrastructure Levy

CS – Create Streets

MHCLG – Ministry of Housing, Communities, and Local Government

NPF – Scottish National Planning Framework

NPPF – National Planning Policy Framework

RTPI – Royal Town Planning Institute

S106 – Section 106, Town and Country Planning Act 1990 (as amended)

WWCT – Walk Wheel Cycle Trust

Executive Summary

This report provides recommendations for how the UK Government can ensure that the new homes built under its watch are part of successful, self-sufficient communities.

The promise to get 1.5m homes built over the course of the Parliament was at the forefront of Labour's election-winning manifesto. Whilst this is a welcome attempt to plug the housing shortage, such a programme might prioritise the number of housing units above all else, including the provision of necessary infrastructure and the tenure of the homes built.

This creates a risk that the new communities that are built will be flawed in two crucial ways. First, they will not have the public transport and NHS infrastructure that they need, like some of the post-war estates and new towns. Second, they will concentrate individuals and families according to their income bracket, failing to integrate citizens of different classes.

This report offers four recommendations for how to ensure that the 1.5m new homes are built within genuinely mixed communities that have access to the infrastructure that they need to thrive:

1. Ministry of Housing, Communities, and Local Government (MHCLG) to:
 - a. Create national Grampian conditions requiring Local Planning Authorities (LPAs) to prohibit development if specified infrastructure & public services provision cannot be guaranteed.
 - b. Set a fixed minimum rate for S106 contributions and the Community Infrastructure Levy (CIL) and strengthen the specifications for how the receipts must be used.
 - c. Set a flat minimum for social/affordable housing quotas for new developments within the National Planning Policy Framework (NPPF).
2. LPAs to create formal governance mechanisms to ensure statutory collaboration with NHS Property Services regarding the capacity of the local NHS estate to handle new developments.

Introduction

What if the government builds 1.5m of the wrong homes?

Mass construction of new housing has been done badly before. In post-war Britain, successive post-war governments enabled the development of new estates and towns in order to relieve overcrowding in the big cities. The designs of different estates and towns varied in quality, and the problems faced by these places today are not exclusively the result of flaws in their original design. However, given that today's Labour government faces a similar dilemma and has decided to resolve it by enabling the creation of new communities from scratch,¹ it is essential that we avoid any repeat of the mistakes made in the design of the new post-war communities.

Furthermore, the 'Build Baby Build' ethos suggests that the emphasis of government policy will be on the density of units within a new development, rather than its broader design.² With that in mind, this report presents an analysis of and recommendations for two areas of planning new communities: the provision of essential infrastructure and services, and the creation of mixed communities.

Given the severity of the housing shortage in Britain, it is fair to question whether it is appropriate to create new regulations that could prevent, or at least slow the pace of, construction. In answer to this, Jon Cruddas has argued that if new estates are designed poorly, demand to move in will not be sufficient to allow developers to continue to build at the same rate.³

Beyond the numbers however, we must ask *why* the state should work to provide housing for its citizens. From the perspective of the Labour Party, it would be fair to argue that the state must take this action to ensure that people have a certain quality of life. The design of new developments can have an important role in the Labour Party's fundamental mission to narrow economic and social inequality.

¹ Initial government response to the report of the New Towns Taskforce, MCHLG, 28th September 2025

² <https://www.gov.uk/government/news/housing-secretary-issues-call-to-arms-to-build-baby-build>

³ Foreword, *How the left can put Beauty back into Britain*, Policy Exchange, 2024

The Problem

Access to public transport & NHS services

This report focuses on two ways in which the design of new developments can reduce inequality.

The first is how access to the right infrastructure and services can alleviate poverty. The Royal Town Planning Institute (RTPI) has argued that the local environment in which people live reinforces poverty, regardless of the individual characteristics of those who live there.⁴ In their report, the RTPI emphasise the importance of design and planning, whether that be in the provision of key services and transport to connect people to those services, access to green space and facilities for exercise, and the existence of communal third spaces through which people can avoid social isolation.⁵

The Walk Wheel Cycle Trust (WWCT) have made the case for the idea of ‘transport poverty’, equivalent to fuel poverty.⁶ The WWCT argues that lack of transport reduces the amount that people can earn by limiting access to employment, childcare, and training opportunities.

The Social Market Foundation has subsequently created a specific measure of transport poverty, defining it as a situation in which the total cost of private and public transport to a household is greater than the gap between the household’s income and the poverty line.⁷ Their study found that households on the peripheries of big cities were more likely to face transport poverty than those in the inner city, with 40% of households in Knowsley, for example, in transport poverty, compared to 30% in Liverpool.⁸ The author writes that whereas ‘urban households can save costs by walking, cycling, or using public transport’, those on the outside ‘are forced into expensive car use’. This illustrates how, if communities are designed without adequate access to public transport, residents are more at risk of falling into poverty.

In the aforementioned WWCT report, it is argued that a lack of transport infrastructure affects the public health of communities by making it harder for residents to access NHS facilities.

⁴ Poverty, place, and inequality’, 2016

⁵ Ibid. pp. 5-13

⁶ ‘Locked out: transport poverty in England’, 2012

⁷ Salutin, G, Getting the measure of transport poverty: understanding and responding to the UK’s hidden crisis, Social Market Foundation, 2023

⁸ Ibid., p. 23

This raises the question, however, of whether a more coordinated planning process could ensure that new communities are provided with the right NHS facilities from the outset.

Point 101 of the latest NPPF, within the section on ‘Promoting healthy and safe communities’, states the following:

‘To ensure faster delivery of other public service infrastructure such as health...local planning authorities should also work proactively and positively with promoters, delivery partners and statutory bodies to plan for required facilities...before applications are submitted.’⁹

However, there are examples of LPAs failing to abide by this recommendation. The Great Western Park development in Didcot, Oxfordshire, for example, has been allowed to grow to over 3,000 residents without a promised GP centre being built.¹⁰ In East Calder, West Lothian, though a health centre exists, the community has been allowed to grow without any expansion of the health centre.¹¹ These cases suggest that LPAs are not working proactively with NHS bodies to ensure that new communities are provided with the right NHS services.

NHS England anticipated this problem in a 2019 paper.¹² The report was based on insights from their Healthy New Towns programme, which was designed to

‘...explore how the development of new places could provide an opportunity to create healthier and connected communities with integrated and high-quality health services’¹³

In the paper, NHS England recommended the following:

‘Council planning officers, Clinical Commissioning Groups, GPs, Primary Care Networks need to work closely through a formal governance mechanism...to ensure that there is a common understanding of proposals for developing integrated approaches to care and to maximise potential use of existing or new estate facilities’¹⁴

To date, it does not appear that the recommended governance mechanism has been set up in many planning areas. This is putting new communities at risk of reduced public health by limiting their access to essential GP services. This is particularly important given that one of

⁹ National Planning Policy Framework, MCHLG, December 2024, p. 29

¹⁰ <https://www.bbc.co.uk/news/articles/cy7m6jpvnyzo>

¹¹ <https://www.dailyrecord.co.uk/news/local-news/anger-west-lothian-locals-told-32179542>

¹² Putting Health into Place 4, NHS England, 2019

¹³ Putting Health into Place Executive Summary, NHS England, 2019, p. 4

¹⁴ Putting Health into Place 4, p. 24

the three ‘radical shifts’ underpinning the Government’s 10-Year Health Plan for England is the shift from hospital to community.¹⁵

Mixed communities

If a new community is designed in such a way as to limit their access to essential infrastructure and services, it will be more vulnerable to poverty and ill health than other communities. This is one way in which planning can exacerbate inequality. Another is through the balance within a development between private lets and affordable and social housing. Estates with a healthy balance of social, affordable, and conventional dwellings can help promote harmonious relationships between those who earn varying amounts, as opposed to the current situation in which communities become defined by average wages and classes rarely mix, breeding misunderstanding and prejudice.

Furthermore, the ‘community’ which is provided to residents in this situation is one-dimensional and narrow. When I asked Nicholas Boys-Smith whether the state can *provide* community, he argued that the state can and should do the following:

‘...manage the necessary interventions in the built environment in such a way as to spin us together rather than pull us apart’¹⁶

Whilst the NPPF acknowledges that mixed tenure sites provide a range of benefits ‘...including creating diverse communities’ and states that LPAs should support their development,¹⁷ the Government recently allowed the Greater London Authority to reduce the affordable housing quota required for new developments to receive fast-tracked planning permission.¹⁸ The decision was part of a package that was framed as helping to boost housebuilding in the capital, implying that such targets are an obstacle to developments.

Funding through land value capture

An important constraint on the provision of infrastructure and affordable & social housing is the funding of each through land value capture mechanisms like S106 contributions from developers and receipts from the CIL.

¹⁵ Fit for the future: 10 Year Health Plan for England - executive summary, DHSC, July 2025

¹⁶ Interview conducted over MS Teams, 3rd November 2025

¹⁷ NPPF, p. 19

¹⁸ <https://www.bbc.co.uk/news/articles/cdrzgxj37d5o>

S106 obligations can be met by developers either by building a certain number of affordable housing units or providing the money for the LPA to do so. However, the specific obligations are determined through negotiation between the developer and the LPA, and it is fair to question whether the terms of these negotiations prevent the development of affordable and social housing. As profit-seeking organisations, it is not necessarily in the interest of developers to build homes for affordable and social rent, and, unlike LPAs, larger developers have the resources to withstand extended periods of negotiation in which they can argue that the S106 obligations are an obstacle to development. LPAs are now further constrained by the need to meet mandatory housing targets that have recently been reintroduced.

Furthermore, both S106 obligations and CIL rates are set locally. Given the reintroduction of mandatory local housing targets, this risks creating an incentive for LPAs to soften S106 requirements and reduce CIL rates in order to attract development.

In these two specific areas of planning policy, current regulations risk encouraging developments that exacerbate inequality and poverty.

Solutions?

Infrastructure & services - regulation

Policy 18 of the Scottish National Planning Framework (NPF), entitled ‘Infrastructure first’, states that development proposals will only be supported if they provide or contribute to the provision of new infrastructure identified as necessary in Local Plans, or include measures to mitigate the impact on existing infrastructure.¹⁹

Whilst this is intended to encourage development that provides the right infrastructure and services to new residents, there are examples in Scotland of development outstripping the provision of infrastructure and services. The aforementioned GP surgery in West Lothian was built for a predicted patient list of 4,500 but now has to cater for over 14,000.²⁰ The same LPA is also now at odds with the residents of Calderwood, a development finished in 2013, over the provision of a new secondary school.²¹

This suggests that the ‘Infrastructure First’ requirement within the NPF does not prevent development from outstripping the provision of infrastructure and services. It could be argued that Policy 18 is hamstrung by the fundamentally discretionary nature of the NPF:

‘Where a policy states that development will be supported, it is in principle, and it is for the decision-maker to take into account all other relevant policies’²²

Therefore, if the provision of new infrastructure would bankrupt the LPA or render a development unviable, the NPF allows the LPA to dismiss the ‘Infrastructure First’ ideal.

A stronger wording is provided by so-called Grampian conditions, which allow LPAs to prohibit development until a specified action has been taken. However, the power for local authorities to do so comes from legal precedent rather than statutory regulation. Furthermore, there is no equivalent of Grampian conditions at the national level. Margaret Mullane MP has recently argued for the creation of national ‘Grampian’ conditions.²³ In this formulation, if a planning application is predicted to outstrip the capacity of local infrastructure and services, LPAs would be required to prohibit development until the necessary provisions have been made.

¹⁹ National Planning Framework 4, Scottish Government, February 2023, p. 67

²⁰ <https://www.dailyrecord.co.uk/news/local-news/anger-west-lothian-locals-told-32179542>

²¹ <https://www.dailyrecord.co.uk/news/local-news/west-lothian-parents-fuming-plans-36040254>

²² NPF4, p. 98

²³ ‘Strictly necessary’, *Fabian Review* Vol. 137 - No.2, p. 6

However, whilst this would be a stronger measure than the infrastructure first approach of the Scottish NPF, it does not answer the question of how additions to infrastructure and services will be funded. This could stall projects for indefinite periods of time.

A similar criticism can be levelled at alternative proposals for changes to planning regulation. Create Streets have proposed a model of ‘vision-led’ transport planning to replace what they describe as the prevailing ‘predict-and-provide’ approach.²⁴ They argue that new developments are too often built in isolated pieces of land on the edge of towns next to a new distributor road, because Highways departments use historic data to conclude that the new residents will need easy access to motorways and space to park their cars. This becomes a vicious cycle as the new residents are forced to buy cars and further data is built up. Create Streets argue instead that Highways departments, rather than trying to predict how residents will make their journeys, should approve designs that encourage residents to walk, cycle, and use public transport.

It could be argued, however, that whilst the CS recommendations would ensure that new developments provide *access* to public transport, they do not necessarily guarantee that the public transport will exist in the first place. The role of the state in CS thinking is light-touch, setting regulations within which private developers can do the rest.

Similarly, the Centre for Social Justice has recommended that MHCLG set an expectation for LPAs to accept by default planning applications for new developments if they meet the conditions of neighbourhood plans.²⁵ If these plans contain strict conditions for infrastructure and public service provision, developments could remain on hold until the necessary money is made available.

Infrastructure & services - funding

As noted above, a weakness of both S106 contributions and CIL receipts is that the rates are determined at the level of individual LPAs. The 2020 Planning White Paper proposed a fixed-rate national Infrastructure Levy,²⁶ but this was subsequently dropped and the final proposal allowed for rates to be set locally.

The new Government has abandoned the Infrastructure Levy proposals and instead committed to reforming the system of S106 contributions and the Community Infrastructure Levy. To ensure that the system delivers regular amounts to LPAs, the Government should consider

²⁴ ‘Stepping off the Road to Nowhere’, 2024

²⁵ ‘Loneliness and the built environment’, p. 8

²⁶ https://assets.publishing.service.gov.uk/media/601bce4fd3bf7f70b95eea55/Planning_for_the_Future_web_accessible_version.pdf, p. 48

setting a fixed minimum rate for both charges. This could also be linked with a permission for LPAs to borrow against predicted S106 and CIL receipts, which will be more predictable once a fixed minimum rate is set. Such a permission was included in the proposals for a national Infrastructure Levy, although it was criticised for being too risky for LPAs as the final amount against which they would borrow was uncertain.²⁷ A fixed minimum rate would help remove some of that uncertainty.

Furthermore, the Government should ensure that receipts from S106 and CIL are tied to highly specific needs and purposes. The House of Lords Built Environment Committee emphasised this particular weakness of the proposals for the Infrastructure Levy.²⁸

Mixed communities – viability assessments

As noted earlier, whilst the NPPF encourages the development of mixed communities and S106 can be used to enable their construction, they are often killed at birth once developers claim that the affordable housing quota may render the development unviable.

Rose Grayston has written extensively on how to reform such viability assessments so that they are not used for this purpose.²⁹ When I interviewed her, she noted that some of her recommendations were adopted in the 2018 NPPF, including limits on the circumstances in which the assessments can be requested and the replacement of the developer's right to a 'competitive' return with a more straightforward right to a 'return'.³⁰ However, these have not been retained in subsequent NPPFs.

Furthermore, Rose emphasised that more needed to be done to change the incentives of developers.³¹ One possible measure for MCHLG to adopt would be to set a specific, flat figure within the NPPF for the social and affordable housing quota in new developments. If developers know they cannot negotiate the reduction of the quota beyond a certain figure, any negotiation runs the risk of diminishing returns and may encourage developers to accept quotas that LPAs set above the flat figure specified in the NPPF.

²⁷ <https://www.rtpi.org.uk/media/gywh0402/joint-infrastructure-levy-letter-to-dluhc-9th-june-2023.pdf>

²⁸ <https://committees.parliament.uk/publications/8354/documents/85292/default/>, p. 57

²⁹ Grayston, R, Pullinger, R, 'Viable villages', CPRE, Shelter, 2019; Grayston, R, 'Slipping through the loophole: how viability assessments are reducing affordable housing supply in England', Shelter, 2017

³⁰ Interview conducted at Kendal's Café, Great George Street, SW1P 3AA, 15th January 2026

³¹ Ibid.

Policy Recommendations

1. MHCLG to:
 - a.* Create national Grampian conditions requiring LPAs to prohibit development if specified infrastructure & public services provision cannot be guaranteed.
 - b.* Set a fixed minimum rate for S106 contributions and the Community Infrastructure Levy and strengthen the specifications for how the receipts must be used.
 - c.* Set a flat minimum for social/affordable housing quotas for new developments within the NPPF.

2. LPAs to create formal governance mechanisms to ensure statutory collaboration with NHS Property Services regarding the capacity of the local NHS estate to handle new developments.

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