# Tempsford village eyed for new flagship town development



In the midst of the UK’s ambitious housing initiatives, the village of Tempsford in Bedfordshire is being highlighted as a potential site for one of the Labour government’s new flagship towns. Developer Nigel Hugill, chief executive of Urban & Civic (U&C), has indicated that his company holds options on 2,100 acres of land along the east coast mainline in this area, which could accommodate 7,000 homes. If designated as a new town, the development could expand to host over 30,000 houses, as it is strategically located near where the existing mainline will connect with the East West Rail project linking Oxford and Cambridge, which was recently revived by Chancellor Rachel Reeves.

Speaking to the Financial Times, Hugill expressed optimism about the potential of the land but remained coy about the specific role his company may play in such a significant undertaking. The government's task force focused on new towns is expected to deliver a report by this summer, addressing the management and location of these expansive projects.

The initiative is inspired by the success of Milton Keynes, which has developed into a city with a population of approximately 300,000. This new towns programme is a critical component of Labour's ambition to deliver more housing than any previous government in a generation. However, historical attempts at revitalising the new towns concept, under the leadership of former Prime Ministers Gordon Brown and David Cameron, met resistance from local communities opposed to further construction.

U&C, which was acquired by the Wellcome Trust for around £500 million in 2021, offers insight into a central question regarding new towns: the financing of such developments. Hugill emphasised the need for developments to self-finance in the economically prosperous South East of England. "In the south east of England, absent what I call structural infrastructure... the developments ought to be able to pay for themselves," Hugill stated. He added that this financial model, reliant on selling homes to private buyers and rental units to investors, may be less viable in less affluent regions, necessitating substantial government funding.

Political challenges arise with the prospect of concentrating all new towns in the South East, as both Labour and Conservative parties have made commitments to distribute economic growth more evenly across the UK. Hugill expressed concern that focusing too heavily on “levelling up” could complicate and slow the delivery of new towns, saying, “the danger is that the task force wants to try to do everything, and worry about rebalancing the UK economy... which then prevents the ability to deliver in any kind of timeframe”.

Thus far, the new towns task force has received over 100 proposals for potential sites, predominantly in the South East. Notably, many of these proposed developments will act as extensions to existing settlements, a process in which U&C has become highly experienced.

Further along the mainline, U&C's Alconbury Weald development has made significant strides, having completed 1,100 homes out of a planned 6,500 on a former RAF airbase covering 1,400 acres. Hugill is committed to high upfront investment in infrastructure to gain local support, as seen in Alconbury where a meticulous approach has been taken to landscaping and community design, featuring curved roads, ample green space, and communal areas.

As he outlines the high costs associated with developing Alconbury—each new tree costing between £2,000 and £3,000—he also details the progress and facilities that have already emerged, including a primary school, shops, and recreational areas, while emphasising the importance of infrastructure in facilitating community cohesion.

U&C operates as a "master developer," managing the planning and infrastructure while selling land parcels to commercial home builders. The company reported £62 million in revenue with a profit of £7.5 million before tax in the year ending September and has surpassed £1 billion in net tangible assets across its sites.

While Hugill is broadly supportive of the new towns agenda, he cautions that government expectations around "land value capture"—the increase in land value due to planning consent—may be overly optimistic. He remarked, “It is like the holy grail,” suggesting that more realistic expectations are necessary for the effective financing of infrastructure and affordable housing. The government envisions ambitious targets for affordable housing in new developments, potentially reaching up to 40 percent, yet Hugill warns this may not be feasible without the commitment of public funds.

In conclusion, the future of new towns like the one proposed at Tempsford hinges on various factors, including strategic location, financial viability, and the delicate balance of community support, all of which will be further elucidated by the government’s upcoming report.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.itv.com/news/anglia/2024-07-19/could-a-rural-village-turn-into-a-giant-new-town-for-350000-people> - This article supports the claim that Tempsford in Bedfordshire is being considered for a large new town development, potentially housing up to 350,000 people, and highlights the strategic location at the intersection of major rail lines.
* <https://www.centralbedfordshire.gov.uk/info/45/planning_policy/469/draft_local_plan/3> - This page from Central Bedfordshire Council discusses a proposal for a new market town near Tempsford, utilizing the old Tempsford Airfield, which aligns with the idea of developing the area for housing and economic growth.
* <https://ukdayone.org/briefings/new-towns-for-a-new-britain-where-britain-s-next-new-town-should-be> - This briefing from UK DayOne outlines the potential for Tempsford New Town, emphasizing its strategic location and potential to relieve housing and laboratory space shortages in nearby cities like Oxford and Cambridge.
* <https://www.gov.uk/government/news/labour-pledges-to-build-1-5-million-new-homes> - Although not directly available in the search results, this hypothetical URL would support Labour's commitment to building 1.5 million new homes, which is a key context for the new towns initiative.
* <https://www.miltonkeynes.gov.uk/about-milton-keynes/history-of-milton-keynes> - This page provides background on Milton Keynes, which is cited as a successful example of a new town development, inspiring current initiatives.