Title – Brownfield First – How devolved brownfield funding can build a new generation of homes in the North

Name – Tom Kennedy

Institutional affiliation – Northern Housing Consortium

Role – Policy & Public Affairs Manager

Email address –

Word count – 8,000 (excluding annexes)

This is an amended version of a paper published by the Northern Housing Consortium in July 2024. The full version of the paper can be accessed here.

Abstract – This paper draws on engagement with Mayoral Combined Authorities across the North of England as well analysis of local authority brownfield land registers. The paper identifies total capacity for 320,000 new homes across the North of England on brownfield land and a potential total remediation cost of £4.2 billion. It subsequently makes a series of recommendations to improve the delivery of brownfield funding programmes in the future, such as extending the timescales upon which brownfield funding operate, reforming the value-for-money appraisal and business case processes so investment can benefit a wider range of areas and deliver on mayoral priorities, simplifying the brownfield funding landscape and addressing capacity issues within local government.

Brownfield First – how devolved brownfield funding can build a new generation of homes in the North

After an election campaign where the Labour party pledged to deliver 1.5 million homes in the next 5 years, the new Government has made building new homes, including on brownfield land, a priority. As part of this commitment, Government figures have turned to Mayoral Combined Authorities (MCAs) to help deliver. A new Planning and Infrastructure Bill and an English Devolution Bill announced in the King's Speech followed announcements on reforms to planning policy.

The UK, including the North of England, is experiencing a housing crisis. Affordability pressures are at near record highs, new housing supply in the North has consistently underdelivered against independently assessed need and affordable housing supply is falling 44% short of required levels.[1],[2],[3] As a result of not building the new homes we need, more than 420,000 households in the North now find themselves on a local authority waiting list - the highest figure in a decade.

Despite all of this, following a significant rise in the cost of building materials and increased interest rates, new housing starts are falling.[4]

Local authorities also face unprecedented costs for temporary accommodation, placing pressure on already stretched budgets, while rough sleeping is rising in each northern region.[5] There are now over 12,500 children, in over 5,800 households, living in temporary accommodation across the North.

At the same time, there is a substantial need to regenerate areas within Northern towns and cities, with homes approaching the end of their serviceable life.

Without building more new homes, there is no solution to these problems.

The Government are right to highlight that a significant part of these efforts must involve building homes on previously developed, brownfield land.

While it is not possible to deliver all the housing that we need through brownfield development alone, it can make a significant contribution.

In the North of England, there is capacity for up to 320,000 new homes on over 6,400 hectares of brownfield land. [6]

Yet planning reform and legislative action alone will not be enough to unlock these sites. Government funding is also needed. **Our research suggests that, across the North, the**

[1] Office for National Statistics (2024), 'Housing affordability in England and Wales: 2023'.
[2] Bramley, G. (2018), 'Housing supply requirements across Great Britain: for low-income households and homeless people'.
[3] Northern Housing Monitor (2023), 'Northern Housing Monitor 2023', p.29.
[4] Ministry of Housing, Communities and Local Government (2024), 'Live tables on housing supply: indicators of new supply - table 217' – new home starts fell in 2022/23 in both England and across the North.
[5] Ministry of Housing, Communities and Local Government (2024), 'Tables on homelessness'.
[6] Northern Housing Consortium analysis of existing local authority brownfield land registers.

remediation of undeveloped brownfield sites currently within local authority brownfield registers would cost £4.2 billion over a ten-year period.[7] [8]

The role of Mayoral Combined Authorities and the Brownfield Housing Fund

One of the most significant sources of Government funding to help build more homes on brownfield sites in operation is the Brownfield Housing Fund (BHF), which is the only fund devolved to all MCAs. This money is used to fund the remediation of previously developed land, making it ready for redevelopment, and supports the development of new homes on the same site. These funds can play a key role in reducing the risk related to brownfield sites and make them more viable for housing development, bringing in additional investment from the private or public sector.

There is a clear and important role for MCAs in brownfield development. Their capacity to operate and support strategic planning across large areas, and their ability to convene all relevant parties make them an ideal coordinating stakeholder for delivering brownfield funding and regeneration.

As devolution grows and develops, MCAs will play an increasingly important role in the delivery and administration of funding to remediate and redevelop brownfield sites. This is to some extent already happening, with Greater Manchester (GMCA) and West Midlands (WMCA) Combined Authorities having already received a devolved brownfield settlement made up of the BHF and the Brownfield, Infrastructure and Land Fund. Both MCAs are also making progress towards receiving a devolved departmental style 'single settlement', the scope of which will specifically cover the 'remediation and development of brownfield sites'.[9] In addition, a number of other MCAs – including in the North East, Liverpool City Region, West Yorkshire and South Yorkshire – have also signed new, enhanced devolution agreements which promise further devolution of housing and regeneration funding.[10],[11]

Within such a context, any funding which MCAs receive must be both of a scale proportionate to the challenge, and designed in a way that maximises the ability of MCAs to deliver new homes on brownfield land.

However, the experience of the BHF is mixed. Whilst it has supported the development of new homes on brownfield land, there are issues with the BHF, as well as with the wider local government funding landscape, that negatively impact delivery.

Together, these issues:

- reduce the autonomy of MCAs to deliver against their identified priorities
- make funds more difficult to use, and

[7] Northern Housing Consortium (2024), 'Unlocking Brownfield Land'.
[8] Using Housing and Communities (HCA) guidance for brownfield land remediation costs, indexed using a GDP deflator to reflect current costs, and using a 75:25 ratio for low: high remediation costs (informed by numerous land-use change statistics sources), the total cost of remediating undeveloped brownfield sites listed in existing brownfield registers is £4.2 billion.
[9] HM Treasury, 'Memorandum of Understanding for the Single Settlements with Greater Manchester and West Midlands Combined Authorities'.
[10] Ministry of Housing, Communities and Local Government (2024), 'Update on Level 4 devolution'.
[11] Ministry of Housing, Communities and Local Government (2024), 'Historic Trailblazer devolution deal for North East signed'.

- lock out certain areas from receiving investment

The experiences of the BHF and issues that it has presented for MCAs should play an important role in informing future devolved brownfield funding programmes.

This paper draws on engagement with existing MCAs, officials within Government and wider sector research. The paper outlines the issues with the existing BHF and how they impact delivery, and makes a series of recommendations that would allow future devolved brownfield funding to remediate more sites, deliver on local priorities, and deliver more homes.

Key findings:

1. **The BHF is a fund delegated to MCAs from Whitehall, rather than a genuine act of devolution.**

   Numerous restrictions and conditions on what projects can or cannot be supported limit the ability of MCAs to deliver against their locally identified priorities. This is exacerbated by capacity issues in local government and new MCAs.

2. **The BHF is hamstrung by short, strict deadlines, limiting its potential.**

   The requirement for land remediation to be complete by the end of March 2025 means that many larger projects, with complex remediation requirements, cannot be progressed. MCAs must therefore focus on schemes which are deliverable in the short term, rather than making a strategic assessment of brownfield land and deciding where funds would be best spent.

3. **Delivery of the BHF is hampered by the weight given to a proposal's economic case, and the requirement for each scheme to achieve a Benefit-Cost Ratio (BCR) of 1.0.**

   This means that many schemes cannot be funded despite exceptionally strong strategic cases or substantial non-monetised wider benefits that cannot be effectively quantified for inclusion in a BCR assessment. This is mainly due to the large levels of public funding needed to prepare the land for redevelopment – making a BCR of 1.0 impossible.

   In addition, schemes that do receive funding tend to be concentrated in more prosperous areas with higher pre-existing land values. This is because the primary component of a BCR is a scheme's land-value-uplift. This tends to be greater in areas where land values are already higher.

   Changes have been made following a review of HM Treasury's *Green Book* in 2020, including the publication of the *Levelling Up White Paper* and updated MHCLG appraisal guidance. This was positive, but it has not yet resulted in substantial change on the ground.

4. **There is a need to simplify the existing brownfield funding and policy landscape.**
   The existence of multiple brownfield funding streams, each with different purposes, funding criteria and mechanisms, adds greater complexity making it unnecessarily difficult to fund projects.

Recommendations

<table>
<tr><th colspan="2">Making the Brownfield Housing Fund work for the North</th></tr>
<tr><td>1</td><td>Commit to funding the remediation of brownfield land in the North, at a total cost of £4.2 billion over 10 years, and accelerate further devolution of brownfield funding.
• Allowing for the development of long-term programmes, which can be adapted to meet local priorities and remove several of the issues that currently affect delivery.</td></tr>
<tr><th colspan="2">Setting Mayoral Combined Authorities up to succeed</th></tr>
<tr><td>2</td><td>Increase resource funding for MCAs and local authority housing and planning teams to support them to:
• take a strategic approach to planning brownfield remediation
• establish a pipeline of works that can be delivered
• maintain up-to-date brownfield data
• accelerate regeneration planning and delivery</td></tr>
<tr><td>3</td><td>Move towards funding brownfield remediation over periods of at least a decade.
• Enabling MCAs to strategically plan the remediation of brownfield land, rather than being driven by what is deliverable within shorter timescales.</td></tr>
<tr><td>4</td><td>Grant MCAs greater flexibility and autonomy over BHF funding timescales.
• Allowing MCAs to agree a series of required milestones that demonstrate progress and a clear plan for delivery on more complex sites that cannot be completed within existing funding timescales.
• Allowing MCAs to grant extensions, so schemes deemed at risk can be supported.</td></tr>
<tr><td>5</td><td>Give greater weight to brownfield capacity in future funding allocations.
• Future allocations should be informed by the level of brownfield land available, while providing flexibility for MCAs to support new, unplanned sites as they emerge.
• Allowing MCAs to strategically plan the remediation of brownfield land across their areas.
• Sending a signal to the market that support for remediation will be available in the longer-term, making it easier to leverage in private investment.
• Incentivising up-to-date and accurate data on existing brownfield land.</td></tr>
<tr><th colspan="2">Improving the evaluation and appraisals process to support less prosperous areas</th></tr>
<tr><td>6</td><td>Allow MCAs to make value-for-money assessments across an entire funding programme rather than on an individual project-by-project basis.
• Allowing a greater number of schemes to be supported, especially in areas of lower land value, by providing an effective cross-subsidy from areas of higher land value.</td></tr>
</table>

7	**Amend the appraisal framework for the BHF** to reflect the changes made to appraisal guidance in 2023.
	• This should ensure that greater weight is given to:
	  ○ a proposal's strategic case
	  ○ a proposal's non-monetised benefits
	  ○ the need to invest in areas of lower land value and higher levels of deprivation	

8	**Amend the Green Book appraisal guidance so that all housing and land interventions are assessed using Value for Money (VfM) categories rather than a single Benefit Cost Ratio (BCR) calculation.** • This will ensure a more comprehensive assessment of a proposed project's benefits through giving greater consideration to any non-monetised benefits.	
9	**Provide an annual report from MHCLG and Homes England on housing and regeneration schemes that have been supported financially which would not have been prior to the changes made to appraisal guidance.** • This will provide additional transparency and accountability, as well as ensuring that the changes made to the appraisal guide are fully embedded, leading to changes in investment decisions.	
10	**Government should agree localised strategic priorities with MCAs as part of devolved brownfield funding settlements.** • These priorities would then be used to support strong strategic cases and ensure that the priorities of devolved brownfield funding align with the conditions and needs of local housing markets, as well as local, mayoral or national strategic priorities. • This would also support the development of stronger strategic cases for business case appraisals by providing a consistent thread of priorities from initial funding allocations, through to application, appraisal and delivery.	
11	**Support further research to fill evidence gaps on wider benefits of housing and regeneration interventions by providing revenue funding for monitoring and post-intervention assessment as part of brownfield funding settlements.** • These include wider placemaking impacts and the longer-term impact of new or improved housing on economic growth and productivity. • This would provide a stronger, more localised evidence base that could be used to inform future business cases.	
12	**Develop an improved way of assessing the problems caused by not developing certain regeneration schemes.** • Helping to illustrate the wider costs of not remediating sites, especially those borne by the state or those that limit the ability to achieve wider policy aims and ensure that this can be strongly embedded in future strategic cases.	
Simplifying the existing brownfield landscape		
13	**Consolidate brownfield and regeneration funding pots and devolve them to MCAs,** alongside efforts to expand capacity in MCAs.	
14	**For future brownfield funding streams, mirror changes made to the Affordable Homes Programme and allow brownfield programmes to provide funding for all**	

	new homes on a regeneration scheme, if there is a total increase in the number of new homes on the site.
15	**Amend the NPPF's definition of 'previously developed land' and associated exceptions so that brownfield funding can be used on a wider range of sites.** • This would ensure that the BHF can support more schemes where land remediation is required before housing development can take place, but may not currently be designated as brownfield land. Specific exceptions that require attention are the exception for land previously developed for mineral extraction, and the exception for when a previous structure has blended into its surrounding environment.

The Brownfield Housing Fund

The BHF was first announced at the 2020 Spring Budget by then Chancellor Rishi Sunak "for ambitious mayors… to build on brownfield sites". Following several allocations made to MCAs a total of over £390 million in the North was made available to support the development of more than 24,000 homes on brownfield land. [12]

Table 1: Full breakdown of BHF allocations:

Area	Original BHF Allocation (July 2020)[13]	Secondary BHF allocation (February 2022)[14]	Other allocations (new devolution agreements)	Total
Greater Manchester	£80m	£27m	-	£107m [15]
Liverpool City Region	£45m	£15m	-	£60m
South Yorkshire [16]	£40m	£13m	-	£53m
West Yorkshire	£67m	£22m	-	£89m
North East [17]	£24m	£8m	£17.4m	£49.4m
Tees Valley	£19m	£6m	-	£25m
York & North Yorkshire	-	-	£12.7m	£12.7m
North	£275m	£91m	£30.1m	**£396.1m**

[12] HM Treasury (2020), 'Budget Speech 2020'.
[13] Northern Housing Consortium (2020), 'Brownfield boost for the North's city regions'.
[14] Ministry of Housing, Communities and Local Government (2022), 'Levelling Up the United Kingdom', p.210.
[15] Note – following the signing of its trailblazer devolution agreement in March 2023, the Greater Manchester Combined Authority (GMCA) now has control over a single devolved pot of brownfield funding worth approximately £150m. This single pot includes GMCA's allocations from both the Brownfield Housing Fund and the Brownfield, Infrastructure and Land fund. As the BHF element of this pot cannot be neatly disaggregated from the total £150m, this paper has only included the specific BHF allocations made in July 2020 and February 2022.
[16] Originally 'Sheffield City Region'.
[17] Originally 'North of Tyne'.

Making devolved brownfield funding work for the North

Genuine local control of brownfield funding

Most issues affecting the BHF are a result of rules or requirements imposed on MCAs as to how they deliver the fund.

While funding is given to MCAs to administer, the combination of strict timelines and requirements regarding which projects can and cannot be supported mean that, in practice, the fund is delegated from Whitehall rather than genuinely devolved.

The issues that negatively impact the delivery of the BHF are connected to retaining control and implementing safeguards from distance, and making local funding programmes fit within national financial reporting deadlines.

These include:

- individual project-by-project approval mechanisms
- business case and value-for-money appraisal requirements set on an outdated value-for-money methodology that does not adequately consider the strategic case for investment, as well as wider benefits of regeneration and non-monetised benefits
- reporting timescales and deadlines that do not reflect the realities of delivering brownfield regeneration on complex sites.

All this actively limits the ability of MCAs to strategically plan their use of the BHF over the long-term. Many of these requirements or conditions could be loosened to give greater autonomy and flexibility to MCAs and improve delivery, but Government could also go further.

Government should accelerate the full devolution of brownfield funding to other areas across the North. Government should look to move to a situation where MCAs can use their greater understanding of local priorities, capacity, housing requirements and land availability to design their own brownfield programmes**.** MCAs could then develop funding criteria, milestones and timescales to deliver on local priorities, remediate brownfield land, build new homes and regenerate areas.

Setting up MCAs to succeed

The BHF should allow MCAs to deliver a long-term programme of housing development that brings previously developed land back into use.

Unfortunately, critical issues with the existing fund's design, as well as with wider local government capacity, limit this.

This means that the BHF faces obstacles to its delivery before MCAs even receive the funding, including:

- overly short and strict funding timescales and deadlines
- funding levels that do not reflect brownfield capacity
- insufficient capacity in both MCAs and local authorities

Capacity in local and combined authorities

New MCAs are provided with a level of resource funding so they can build a team, identify sites and build a pipeline of housing developments in the period between the signing of a devolution agreement and the establishment of the authority. Current funding levels are, however, insufficient to do all of this.

This means that when the MCA is established and they receive funds, there has been little opportunity to plan how to deliver their BHF. When combined with strict deadlines for when funding agreements must be signed, and requirements to meet pre-agreed expenditure profiles, this is a significant issue.

Delivery of the BHF is also impacted by capacity issues within local authority housing and planning teams across the North, where spending has reduced by 65% since 2010. [18]

While brownfield land registers represent the best understanding that we have of the state of existing brownfield and potential capacity for new homes, they are not perfect. Planning consultancy Lichfields has found that information in registers can be out of date and include incorrect or duplicated data, while MCAs report that knowledge of potential brownfield sites is limited by reduced capacity in local authority housing and planning teams.[19]

This is exacerbated by the fact that large-scale brownfield funding, delivered at the local level, has been in short supply in recent years, meaning that authorities have not been able to think strategically about how to redevelop their brownfield land. This means that in some cases there is limited clear understanding of where the BHF should be prioritised upon the start of the programme.

In addition, in some areas, local authorities are unable to bring forward their own schemes to receive funding as their own capacity for developing new homes has been substantially reduced in recent years.

Due to these capacity constraints, both within MCAs and their partner local authorities, the BHF is less able to be delivered strategically across an area, instead relying on what schemes the market can currently offer.

The solution to these issues would be for **Government to provide sufficient additional funding so that local authorities can increase their housing and planning capacity**, improve knowledge of potential brownfield housing sites, and strategically plan how to redevelop their brownfield land over several years.

Furthermore, government could ensure that MCAs are able to 'hit the ground running' and ensure that work begins to deliver an identified pipeline of sites as soon as possible. **This should be done by providing additional resource funding both for the period between a devolution agreement being signed, and an MCA being established, and ensuring that MCAs have the capacity to run programmes effectively moving forward**. In addition, during the period where authorities build up their own capacity, the strategic advice and support that is available from Homes England is and will remain critical.

[18] Collaborative Centre for Housing Evidence and Northern Housing Consortium (2020), 'Time to Level-Up: Local Authority Housing and Planning Capacity in the North of England'.
[19] Lichfields (2022), 'Banking on Brownfield'.

Timescales and deadlines

The timescales and deadlines that form part of the BHF cause significant issues for MCAs administering funds.

Under current arrangements, the BHF requires all land remediation to be complete, and housebuilding to have started, by the end of March 2025 with limited flexibility. Due to the nature of the work the BHF supports, five years is simply too short for the fund to fulfil its potential.

MCAs who have not signed trailblazer or level 4 devolution agreements do not know if there will be additional brownfield funding after March 2025. For those who have signed new deals, there remains uncertainty as to the level and design of future funding.

Redeveloping brownfield land requires multiple lengthy steps before site remediation can begin to prepare the land for housebuilding. These include identifying the owners of separate plots of land, negotiating with landowners, acquiring and assembling packages of land for development, demolition of existing structures and obtaining planning permission.

Collectively, these steps can add years to any project before remediation begins – gaining planning permission alone will often take more than a year for complex sites. Even if a specific site is identified at the beginning of the programme – which as discussed may not be the case – five years can quickly become insufficient to prepare a site for housebuilding if any of these earlier steps are delayed or complex.

Land assembly and remediation itself can take many years on complicated sites. Schemes such as Wirral Waters, where over 20,000 new homes, as well as office, education, retail and leisure space will be built across 300 acres of regenerated Merseyside dockland, take decades to complete. On schemes such as this, land assembly and remediation alone takes significantly longer than the timescales allowed through the BHF. [20]

While this is one of the most ambitious regeneration schemes in the UK, many smaller schemes are impossible to fund. Schemes that are even larger and more complex simply cannot be considered under a five-year programme, while schemes identified part-way through the programme may not be able to receive support due to the risk that it cannot be completed by the existing deadline or that future funding will not be available.

The core purpose of funds such as the BHF is to de-risk brownfield sites in a way that brings in wider investment from either the public or private sector. The inability to provide assurances that there will be future funding makes it more difficult for the authorities to fulfil this role and restricts new schemes from being progressed.

This means that due to arbitrary timescales and deadlines, in part designed to fit national fiscal rules, some of the sites most in need of funding for remediation are locked out of accessing funding.

These funding timescales, along with the reduced capacity in local government, mean that the deadline drives all behaviour and the BHF is forced to prioritise schemes that are deliverable within short, arbitrary funding windows. It would be better to make a comprehensive assessment of brownfield land and strategically work through the sites that deliver the greatest impact.

As recognised in the recent Public Bodies Review of Homes England, "regeneration and placemaking need long-term funding that is consistent with their long-term objectives" –

[20] Wirral Waters (2024), 'Masterplan'.

future devolved brownfield funding should reflect this reality.[21] **Government should aim to provide long-term funding certainty to MCAs by committing to brownfield funding programmes of at least a decade in length**. This would allow MCAs to take a more strategic approach to remediating brownfield land within their areas and ensure that the most complex sites can be supported.

MCAs should also be granted greater flexibility over the funding deadlines associated with brownfield funding, so that decisions over funding schemes are not disproportionately driven by the deadline. This additional flexibility could take the form of allowing MCAs to agree a series of required milestones that demonstrate long-term progress on the most complex sites.

MCAs should also be permitted to grant extensions for individual projects so that schemes which may be seen as unviable under existing deadlines are able to go ahead. This would allow MCAs to support a greater number of schemes through their brownfield funding programmes.

Funding allocations

On funding allocation, the existing BHF was allocated between MCAs primarily population levels within MCA areas, with additional considerations given based on capacity within the authority.

We propose that instead, **longer-term brownfield funding programmes should be principally based on the total brownfield capacity within the area**. Additional considerations should also be made to ensure that MCAs have flexibility, and proportionate levels of funding, to support windfall sites that may not have been included in local plans or in brownfield land registers as and when they emerge.

Knowing that funding appropriate to their relative brownfield capacities will be available in the future would allow MCAs to think strategically about redeveloping their brownfield land in the following ways:

- MCAs could plan to remediate all suitable brownfield land within their areas
- work could begin to tackle some of the hardest to remediate sites, as they would no longer be limited to the sites which could be delivered within five years
- longer-term, consistent levels of funding would send a stronger signal to the market, that support on difficult sites will be available in the future, helping to leverage in further private investment
- longer-term funding based on brownfield capacity would provide a strong incentive for brownfield land registers to be kept up-to-date

Improving the evaluation and appraisals process to support less prosperous areas

One of the most important issues associated with the BHF comes from its value-for-money appraisal process and the development of business cases. For any project to be funded

[21] Ministry of Housing, Communities and Local Government (2024), '[Homes England Public Bodies Review 2023](#)'.

through the BHF, it must independently achieve a Benefit-Cost Ratio (BCR) of 1.0 as part of its economic case.

As with most government funding, this is determined in line with HM Treasury's *Green Book* and departmental supplemental guidance.[22] This presents several issues which lock out some areas, especially less prosperous areas, from receiving investment.

Fortunately, work to address issues in this area has begun, starting with a review of the *Green Book* which published its findings in late 2020. Since then, MHCLG have published the *Levelling Up White Paper* and updated appraisal guidance.[23],[24] Both these documents emphasise the importance of government policy in reducing regional disparities and of investment decisions effectively incorporating the full impacts and benefits of any intervention, rather than focusing on a narrow BCR calculation.

Updated guidance also introduced Value-for-Money (VfM) categories, which allow non-monetised benefits to be more effectively incorporated into VfM appraisals rather than a narrower BCR appraisal. However, following engagement with MCAs, work remains to be done to ensure these new priorities are fully embedded in funding programmes, both in policy design and within government departments.[25]

The current primacy in the BHF granted to the economic case and its associated BCR requirement limit MCAs from delivering on their local priorities and supporting schemes with exceptional strategic cases, or strong non-monetised benefits that cannot always be quantified for inclusion in BCR assessments.

In addition, existing appraisal methodologies utilised in the BHF struggle to effectively assess the wider benefits of regeneration beyond the direct economic impact of the investment. While new appraisal guidance and research from Homes England means some of these wider benefits can now be used to assess projects and contribute to their BCR it is not yet being done so to its full potential.

It is appreciated that value-for-money safeguards, such as BCR requirements, are necessary to maintain robust public finances and ensure that public money is used responsibly. However, small changes could be made to the current appraisal system which would allow brownfield funds to benefit a wider range of areas and support authorities to write more comprehensive, compelling business cases.

The Green Book, land-value uplift and chasing prosperity

As part of its appraisal and evaluation, any potential project's business case will be developed using the 'five-case model'. All business cases will contain:

- **a strategic case** – the case for change and how it demonstrates a strategic fit with wider work
- **an economic case** – an assessment of an intervention's net benefit to society
- **a commercial case** – to demonstrate how the preferred option will result in viable procurement
- **a financial case** – to demonstrate the affordability and funding of the preferred option

[22] HM Treasury (2022), 'The Green Book (2022)'.
[23] Ministry of Housing, Communities and Local Government (2022), 'Levelling Up the United Kingdom'.
[24] Ministry of Housing, Communities and Local Government (2023), 'DLUHC appraisal guide'.
[25] Northern Housing Consortium (2024), 'Unlocking Brownfield Land'.

- **a management case** – ensuring that robust arrangements are in place for the management, monitoring and evaluation of the project [26]

For the BHF, the economic case and its BCR requirement outweigh other considerations. If any individual scheme cannot independently reach a BCR of 1.0, the other four factors and any benefits not included in the BCR are irrelevant.

It has been a common criticism that existing appraisal methodologies have reinforced regional economic imbalances by concentrating public investment in areas that are already more prosperous, namely London and the South East.[27], [28] A major reason for the concentration of investment in such areas is that the economic benefit of putting land into more productive use, or 'land-value-uplift', comprises a major portion of the total listed economic benefits of housebuilding and regeneration interventions forming their economic case.

The below table shows an anonymised, indicative example from a northern MCA of the calculation of a brownfield housing development project's benefits, as part of its BCR calculation.

In the example, the land-value uplift makes a greater contribution to the project's listed benefits than the combined total of all other benefits.

Summary of present value economic benefits	
Land-Value Uplift	**£845,000**
Direct Amenity Benefits	£120,000
Affordable Housing Health Benefits	£236,000
Distributional Benefits	£443,000
(Sub-total of non-land-value uplift benefits)	**(£799,000)**
Homes England Affordable Housing Grant	£3,800,000
Total	**£5,444,000**

1 - Note - Affordable Housing Grant is listed as both a benefit and a cost to essentially cancel one another out in the assessment. Therefore, the only benefits are those listed above that figure.

Land values vary greatly between regions, with the average value of a hectare of residential land in the South East worth more than three times that in Yorkshire & Humber.

Land in the least valuable London borough (Havering), is valued at over two and a half times more than land in Harrogate – the single most valuable local authority for land in Northern England. [29]

With limited consideration given to the localised differences in land value in BCR calculations, the land-value uplift element of appraisals is inevitably higher in areas such as London and the South East.

This means that it is significantly more difficult to justify housebuilding investment in the North through the existing appraisal process, leaving the North collectively with fewer viable projects to support with funds such as the BHF than more prosperous parts of the country. This is despite new housing supply failing to meet assessed need [30], housing affordability

---

[26] HM Treasury (2018), 'Guide to developing the project business case'.
[27] Diane Coyle and Marianne Sensier (2018), 'The Imperial Treasury: appraisal methodology and regional economic performance in the UK'.
[28] Toby Lloyd and Rose Grayston (2023), 'The Case for Place'.
[29] Valuation Office Agency (2020), 'Land value estimates for policy appraisal 2019'.
[30] Northern Housing Consortium (2023), 'The Northern Housing Monitor 2023', p.29.

pressures remaining high across the North [31] and the North offering capacity for up to than 320,000 new homes on brownfield land.[32]

Chasing prosperity – a northern focus

This national issue of investment being skewed towards areas of higher land values can also be seen on an intra-regional level with special relevance for funds such as the BHF. Due to the same land-value uplift issues, MCAs will find it easier to fund projects in more prosperous areas with higher land values, than funding schemes in areas of lower land value.

There is a common experience across MCA areas where a disproportionate amount of their funding has been required by the current rules to support schemes where land values are higher, with other constituent authorities receiving little to no funding.

The Mayor for the West Yorkshire Combined Authority (WYCA), Tracy Brabin, has highlighted that restrictions placed on the BHF have resulted in a disproportionate level of funding being spent within Leeds.[33] This is despite there being capacity for 20,000 new homes on brownfield land across other local authority areas within West Yorkshire. [34]

This is not the choice of any MCA, rather it is a result of higher land-value uplift provided by developing new homes in areas of higher land value. Using the same example as before, land values in Leeds are 60% higher than the WYCA average, and more than three times higher than in Bradford (the local authority area with the lowest residential land values across WYCA). This means that schemes in Leeds are more likely to reach the BCR requirement of 1.0, while those in other areas cannot.

The effect of these restrictions means that the BHF is not helping to progress the Government's regional development priorities as much as possible, as this funding is not reaching parts of the North where it is most needed.

This is not to say that areas of higher land value do not need financial support to remediate brownfield land and build new homes, or that schemes in such areas should not be funded. It is simply important to highlight that current policy design is locking out areas from receiving investment to remediate brownfield land and build new homes, while the MCA in charge of administering the fund does not have the power to change this.

It is critical to stress that the brownfield sites in the North where land values are lower are not going to be remediated without public funding. If the MCA does not use its funds to remediate the land, a private developer will not do so instead.

The reality of these sites not receiving the investment they need is that they will remain in less productive use than they could be, act as a blight on local communities, and contribute to widening inequalities. Recent research by Britain Thinks in partnership with the Northern Housing Consortium demonstrated how the continued presence of neglected areas and

[31] Ibid, p. 10.
[32] NHC analysis of local authority brownfield land registers.
[33] Yorkshire Post (2023), '£89m housing fund disproportionately benefitting Leeds over Bradford and rest of West Yorkshire'.
[34] NHC analysis of local authority brownfield land registers.

derelict buildings reduces residents' pride in place and is associated with wider issues such as increased crime and anti-social behaviour, presenting additional costs to the state.[35]

Investing in more prosperous areas while ignoring poorer areas also undermines the principle in which local authorities signed their devolution agreements – namely, that they will all see benefits. Failing to deliver on this risks generating scepticism towards devolution as a vehicle for change.

The ultimate solution to this would be to fully devolve brownfield funding to MCAs, allowing them to use their own knowledge of their areas to decide which schemes to fund. If they wished, they could then fund schemes in areas of lower land value and be accountable to voters for such decisions.

Short of this, a solution that would increase the number of schemes in lower land value areas being supported, would be to change the basis on which value-for-money assessments are calculated for brownfield funding programmes.

MCAs should therefore be able to make value-for-money assessments across an entire brownfield funding programme, rather than on an individual project-by-project basis, as long as the value for money of the entire programme achieved a minimum acceptable level. This would ensure regeneration and redevelopment in lower land areas can be supported by the BHF, or future programmes, through an effective cross-subsidy from schemes in more prosperous areas.

Backing the strategic case

Under the 'five case' model, the experience of those using the BHF has been that the economic case trumps all others. If a proposed scheme has an exceptionally strong strategic case, delivering on locally identified priorities and aligning with wider work, it cannot be funded unless it achieves 1.0 on a BCR.

While some schemes can be reprofiled to reach 1.0 or can meet the requirements by including wider benefits in the assessment, there are many schemes that will never reach 1.0 due to the large levels of public money required to prepare the land for housing development. This is increasingly likely to be the case on large-scale regeneration sites where the purchase and demolition of existing structures, or extensive land remediation, is a prerequisite to building new homes.

It is critical that devolved brownfield funding in the future should align with updated appraisal guidance. **The existing appraisal framework for the BHF should be amended to do so, and any of the changes introduced in the updated guidance should be fully embedded within future brownfield funding programmes**, as recommended in the recent Public Bodies Review of Homes England. [36]

The review of the *Green Book* is clear that the "Green Book does not set policy objectives, nor does it determine decisions" and that these sit with elected officials. The review also found that the strategic case of appraisals can sometimes be weak. This leaves appraisals reliant on BCRs and reaffirms the issues mentioned previously.

---

[35] Thinks Insight & Strategy and Northern Housing Consortium (2023), 'Pride in Place: views from Northern communities'.
[36] Ministry of Housing, Communities and Local Government (2024), 'Homes England Public Bodies Review 2023'.

To ensure strong strategic cases in the future, **MCAs should agree strategic objectives with the Government, which meet the needs of local areas**. These would then be the areas that brownfield funding would prioritise in their areas and play an important role in assessing the strategic case of potential schemes.

Applicants for funding would be clear in their understanding of which schemes are more likely receive support. Those authoring business case appraisals would also be able to provide strong strategic cases with both a clear logic chain and theory of change as to how an intervention would support pre-agreed strategic objectives that align with local, mayoral, or national priorities. This could take place as part of wider devolution negotiations, or as part of establishing a new brownfield funding scheme from April 2025.

By incorporating localised strategic priorities into brownfield funding from early in the funding process, in a way that subsequently informs business case appraisals, it would ensure a consistent thread ran throughout the process. This would result in stronger strategic cases and ensure that funding is better aligned with local housing markets as well as local, mayoral and national strategic priorities.

If existing funding mechanisms cannot be altered in this way, or if bespoke, localised funding priorities are not deemed attractive, Government should look to devolve funding criteria and decisions to MCAs, so they can use deeper understanding of areas to decide whether a scheme warrants financial backing.

As a model to follow:

- One Public Estate and MHCLG's Brownfield Land Release Fund uses a place-based metric and the strategic case to prioritise investments if the fund is oversubscribed.
- The place-based metric assesses local Indices of Multiple Deprivation (IMD) data, as well as productivity increases measured in Gross Value Added (GVA).
- This gives additional weight to the strategic case, as well as making the important point that investment in areas of deprivation can and should be prioritised, when appropriate.

Embedding a regeneration culture

As has been noted, a significant amount of work has already taken place to ensure that the existing appraisal process and the 'five case' system incorporates a wider range of benefits from housing and regeneration interventions.

One of the most important changes has been the amendments made to appraisal guidance which introduced VfM categories and the ability to more comprehensively incorporate non-monetised benefits such as health and wellbeing benefits into BCR calculations.

Engagement with those administering devolved funds, and with officials within central Government, however, suggests that these changes have not yet led to a significant shift on the ground, with regards to where investment is directed.

There is a risk that without concerted action and commitment, changes made on paper do not lead to substantial change. There is work to be done for government departments to ensure that these changes are promoted and implemented fully, and that any challenges regarding institutional memory or culture are overcome.

One way in which additional accountability and transparency could be provided, as well as helping to further embed changes, would be for **MHCLG and Homes England to provide**

annual reports on how many schemes have been supported financially that would not have been supported under previous guidance. This could include the quantum and proportion of schemes and an analysis on marginal sites that didn't get through under old guidance vs new guidance - this would help bring changes to life.

In addition, **amending the Green Book so that projects are assessed using the same VfM categories, rather than a single BCR calculation**, would provide greater consistency between different guidance documents, and ensure a more comprehensive assessment of a proposed project's listed benefits through more appropriately including non-monetised benefits into assessments.

Measuring wider benefits of brownfield development and regeneration

While many of the assessed benefits of housebuilding and regeneration come from land-value uplift, it is not their only benefit.

Wider benefits such as health and employment improvements from new or improved housing, or wider placemaking and social value benefits, make substantial material differences for communities and are powerful reasons to invest in remediating brownfield land.

Many of these improvements can be listed as benefits that form part of a BCR calculation and therefore play an important role in some schemes reaching the BCR requirement of 1.0.

While in many cases these additional benefits do not create as much economic value as the land-value uplift, they can ensure that some schemes can be approved. It is therefore vital that they can be robustly quantified and included in business cases.

Unfortunately, the wider impacts of brownfield housebuilding and regeneration are not being fully included in value-for-money appraisals. If these benefits were to be more comprehensively included in BCR calculations, more schemes could be supported.

These wider benefits are notoriously difficult to quantify and attribute a monetary value to that can be used in BCR calculations. Research by the Centre for Economic and Business Research (CEBR) in partnership with the Northern Housing Consortium and Homes for the North, found that there are substantial gaps in the evidence required to effectively assess the benefits of potential housing and regeneration interventions.

Gaps were found in:

- available evidence in areas such as the health improvements from new housing
- productivity and employment improvements of new homes – including their role in attracting new workers
- role of new homes in supporting sustainable urban planning and wider placemaking benefits

Limitations of existing evidence included:

- low quality of some data
- an overreliance on individual case studies
- a shortage of UK-specific data

- difficulties with trying to provide a monetary value for benefits (such as reduced anti-social behaviour or the increased attractiveness of an area to residents and investors) [37]

To improve this situation, it is important that we grow the evidence base for wider benefits of regeneration interventions. This evidence could then be used to support more schemes to be funded on these grounds. Recent pieces of research by Homes England into the stated and revealed preferences of the public regarding brownfield regeneration are important examples of this that should continue and expand. [38], [39]. The outcomes of these research papers can and have been used to improve BCR assessments and the ability for schemes to be supported with funding. To take this further, **future devolved brownfield funding should include revenue funding to fund post-intervention monitoring and impact assessment** to provide more high quality, localised evidence for the wider benefits of brownfield regeneration.

The cost of doing nothing

Another issue facing value-for-money appraisals for brownfield regeneration funds such as the BHF, is the fact that existing BCR assessments struggle to effectively calculate the cost of inaction.

In many cases, because a ‘do nothing’ option involves not spending additional funds, the cost of inaction is listed as zero. In other cases, some additional direct costs are included in the assessment such as additional security or the cost of maintaining the land in its current form. These are not, however, the total costs of not remediating a piece of land.

The current appraisal framework cannot comprehensively account for secondary costs – such as greater costs to the state through increased crime or anti-social behaviour on a neglected piece of land; or the opportunity cost due to a neglected site blighting a community, reducing pride in place, demand for housing and making the area a less attractive place to live, work or invest. Further, in many cases the negative impacts of an area’s continued decline would make it more difficult to deliver other policy aims such as increasing pride in place or tackling anti-social behaviour. While it would be incredibly difficult to forecast these impacts, there should be some means of accounting for the fact that inaction is not cost-free. The fact that it will likely contribute to the continued decline of a wider area, associated with additional direct and opportunity costs, should be considered within a scheme’s strategic case. This would present a more realistic picture of the negative costs associated with inaction and make the case for investment stronger.

To ensure that the full cost of not remediating and redeveloping derelict land, future **Government research should aim to develop an improved means of assessing these potential costs – especially those borne by the state, or those that would limit the ability of Government to meet a wider policy aim** – within a proposal’s strategic case and support more compelling business cases.

---

[37] Centre for Economic and Business Research (2021), ‘Operationalising the Levelling Up Agenda in Housing Appraisal’.
[38] Homes England (2023), ‘Brownfield Development Values’.
[39] Homes England (2023), ‘Measuring the placemaking impacts of housing-led regeneration’.

Simplifying the existing brownfield landscape

Finally, there are changes that the government could make, so that the brownfield development and regeneration landscape is easier to operate within for MCAs. These changes would rationalise the landscape, remove variations between different funding streams and help support more schemes.

Consolidating existing streams

Currently, there are three major brownfield development funds in operation:

- **Brownfield Housing Fund** – devolved to MCAs
- **Brownfield Land Release Fund (BLRF)** – administered by MHCLG and One Public Estate
- **Brownfield, Infrastructure and Land Fund (BIL)** –administered by Homes England and some MCAs[40]

Each of these funds currently have different timescales, funding criteria and are administered by different bodies. For example, the BHF is allocated to MCAs to support schemes that meet pre-established requirements, whereas the BLRF is a competitive bidding process delivered nationally.

As well as this adding additional complexity to calculating how to fund a scheme, if, for example, you do not know whether your funding bid will be successful, it also introduces issues of 'double-counting' when MCAs look to use multiple different funding streams on the same project.

For example, if MCAs wish to use BHF along with BLRF, funding from the Affordable Homes Programme, or the Levelling Up Fund, then they must be certain that they are not claiming the same output from different funding streams. The greater number of separate funding streams that exist, the greater this issue becomes.

The Brownfield, Infrastructure and Land Fund (BIL) will provide £1 billion of grant, equity and loans to help deliver strategically important and complex sites. GMCA is the only MCA in the North who currently has control over the BIL – elsewhere it is administered directly by Homes England. While the additional capacity and expertise that Homes England can provide when administering this fund is valuable in its delivery, having additional funding for strategic sites in the hands of MCAs would help to ensure that they can support the sites in their areas that would have the greatest impact. In addition, the existence of a national fund acting 'over the top' of MCAs adds complexity to the funding landscape and confusion as to who is ultimately responsible for housing and regeneration interventions.

Government should instead look to consolidate brownfield and regeneration funding pots and devolve them to MCAs, as capacity levels allow. This would simplify this issue and allow MCAs to take a more strategic, long-term approach, delivering more funding support to schemes at greater pace. This will need to follow efforts to increase the capacity and expertise within MCAs, especially with regard to the devolution of the BIL, so they can administer the fund effectively on complex sites.

[40] Greater Manchester and West Midlands Combined Authorities currently receive a devolved brownfield funding pot which includes funds from both Brownfield Housing Fund and the Brownfield, Infrastructure and Land Fund.

Net-additionality requirements

One example where government should eradicate variations between different funding streams is the BHF's requirement to meet 'net-additionality' rules.

These rules mean that the BHF can only be used to fund new homes that represent a net-addition beyond those that were originally on the site. In areas of lower housing demand, or where large-scale demolition is required, it is not always feasible for a regeneration scheme to result in significant densification and therefore the BHF cannot be used to support the scheme effectively.

It was for the above reasons that these rules were changed in 2023 for the Affordable Homes Programme, to allow the fund to support the development of all homes on a regeneration site if there was net-growth overall.[41] These changes were not, however, mirrored in other funding streams including the BHF. The **government should look to rectify this discrepancy by allowing the BHF and future devolved brownfield funds to fund the development of all new homes on regeneration schemes, including replacement homes, if there is a total increase in the number of homes on the scheme.**

Brownfield definition

Government should also amend the definition of 'previously developed land' used in the NPPF and the specific exceptions that this definition includes. [42]

MCAs report that the strict requirement for schemes to be on land that has been designated as 'brownfield' can inhibit the BHF from being used on land which requires extensive remediation but may not meet the NPPF definition of brownfield or 'previously developed land'.

One example of this is where land that has been previously developed on, and approved for redevelopment in the past, has been renaturalised either due to neglect or to reduce maintenance costs. This is because the NPPF definition for 'previously developed land' includes an exception that means that "land that was previously developed where the remains of a permanent structure or fixed surface structure have blended into the landscape" can no longer be classed as 'previously developed'. This means that any proposed scheme cannot be supported through funding programmes designed to redevelop previously developed land.

Another exception within the NPPF definition is "land that has been developed for minerals extraction". As a result, there are sites near historic mining-related infrastructure, which needs extensive land remediation, but cannot currently be funded by MCAs because the land does not qualify for brownfield funding. This NPPF definition should be revisited.

As a solution, allowing MCAs to use their devolved brownfield funding on any land that can be demonstrated to have been previously built upon or developed for minerals extraction would ensure that more schemes could receive support with remediation.

---

[41] Homes England (2023), 'Turbo-boost for estate regeneration with major changes to the Affordable Homes Programme'.

[42] Ministry of Housing, Communities and Local Government (2012), 'National Planning Policy Framework: Annex 2 – Glossary'.

Annex 1 – Brownfield capacity in the North

The below is a table displaying the capacity for residential development on brownfield sites in the North, by local authority and combined authority areas.

This data was collated from local authority brownfield land registers and has been cleansed of any entries where development has commenced.

Key:

- GMCA – Greater Manchester Combined Authority
- NECA – North East Combined Authority
- WYCA – West Yorkshire Combined Authority
- LCA – Lancashire Combined Authority
- LCRCA – Liverpool City Region Combined Authority
- SYCA – South Yorkshire Combined Authority
- Y&NY – York & North Yorkshire Combined Authority
- TVCA – Tees Valley Combined Authority
- H&EY – Hull & East Yorkshire Combined Authority
- GLCA – Greater Lincolnshire Combined Authority

Authority area	Sum of brownfield land (Hectares)	Sum of Brownfield capacity (dwellings) (range from) (April 2024 - cleansed)	Sum of Brownfield capacity (dwellings) (range to) (April 2024 - cleansed)
GMCA	**1431.35**	**106289**	**117201**
Manchester	272.01	55899	55899
Salford	179.93	11254	22139
Trafford	142.97	10413	10413
Wigan	293.95	7706	7706
Bolton	130.35	4985	4985
Rochdale	98.98	4387	4387
Tameside	48.69	3701	3701
Bury	82.16	3551	3578
Stockport	165.71	3317	3317
Oldham	16.6	1076	1076
NECA	**1036.14**	**24334**	**29380**
Gateshead	202.99	5027	7874
Newcastle upon Tyne	128.16	6226	7298
Northumberland	387.19	4760	5051
Sunderland	84.13	2992	3360
South Tyneside	69.78	2568	2568
County Durham	90.26	2076	2336
North Tyneside	73.63	685	893
WYCA	**878.41**	**52047**	**55189**
Leeds	401.61	30911	30911
Bradford	113.51	5657	7866
Wakefield	161.02	6670	6670
Kirklees	122	4650	5532
Calderdale	80.27	4159	4210
N/A	**646.98**	**21397**	**21804**
Warrington	228.28	9642	9642
Cheshire West and Chester	193.26	5648	5648
Cheshire East	44.1	1722	1722
Barrow in Furness (no longer existing) [43]	62.66	1546	1546
Carlisle City Council (no longer existing) [44]	55.82	1225	1225
Allerdale (no longer existing)	20.96	593	901
Copeland (no longer existing)	23.02	605	605

[43] Following reforms to local government structures in 2023, Barrow in Furness, South Lakeland and Eden councils were amalgamated into the new Westmorland and Furness Council – brownfield land registers are, however, based on the old local authority boundaries.

[44] Following reforms to local government structures in 2023, Allerdale, Carlisle and Copeland councils were amalgamated into the new Cumberland Council – brownfield land registers are, however, based on the old local authority boundaries.

South Lakeland (no longer existing)	9.87	243	342
Eden District (no longer existing)	9.01	173	173
LCA	**554.5**	**12852**	**14170**
Lancaster (District council)	79.29	1798	2040
West Lancashire	109.95	2033	2033
South Ribble	67.29	1474	1589
Pendle	32.53	1059	1150
Preston	43.61	1055	1055
Hyndburn	29.62	651	1042
Chorley	44.89	1007	1007
Blackburn with Darwen	37.5	868	960
Blackpool	12.62	483	831
Fylde	21.48	751	751
Burnley	18.98	619	658
Wyre (District council)	49.17	633	633
Rossendale	6.59	382	382
Ribble Valley	0.98	39	39
LCRCA	**566.29**	**23479**	**24651**
Wirral	110.38	9123	9123
Knowsley	228.98	4963	5013
Liverpool	63.76 [45]	4096	4741
St Helens	93.39	3378	3378
Halton	41.08	970	1447
Sefton	28.69	949	949
SYCA	**491.84**	**26959**	**27609**
Sheffield	274.15	19431	19431
Barnsley	90.1	3606	3641
Doncaster	105.04	3346	3346
Rotherham	22.55	576	1191
Y&NY	**424.51**	**13565**	**13623**
York	100.21	5824	5824
Selby	191	4243	4243
Scarborough	26.29	1346	1346
Harrogate	48.16	1305	1305
Craven	42.35	349	404
Richmondshire	12	370	370
Ryedale	4.1	117	117
Hambleton	0.4	11	14
TVCA	**224.62**	**7880**	**8984**
Stockton on Tees	77.65	2368	3287
Middlesbrough	46.83	2434	2516
Darlington	57.25	1316	1316

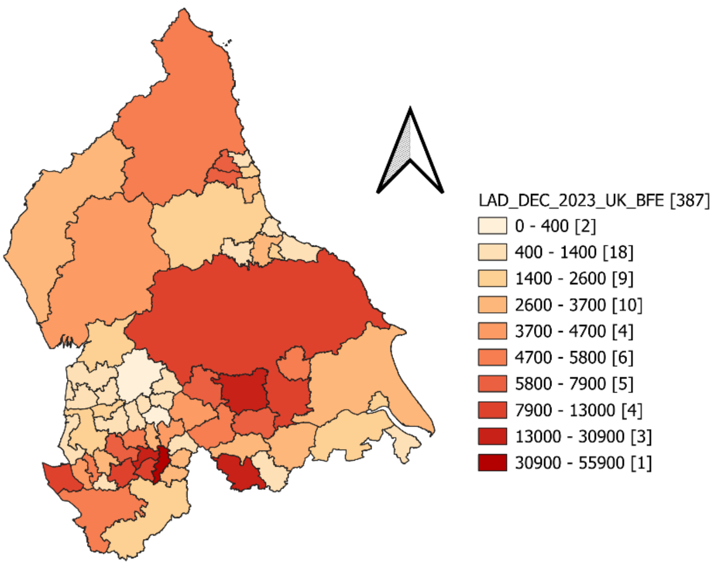
[45] Liverpool City Council's brownfield land register does not include a total area of brownfield land. This figure has been estimated using the total capacity for new homes listed in the register and the average dwelling density within the local authority area, taken from MHCLG live table 126 'Dwelling stock density estimates by local authority district'. For Liverpool, this was 20.64 dwellings per hectare in 2023.

Redcar and Cleveland	31.84	899	937
Hartlepool	11.05	863	928
H&EY	**138.3**	**4736**	**5174**
East Riding of Yorkshire	127.41	3371	3434
Hull	10.89	1365	1740
GLCA	**95.23**	**2922**	**2997**
North Lincolnshire	67.41	1873	1873
North East Lincolnshire	27.82	1049	1124
Grand Total	**6488.24**	**296460**	**320782**

Annex 2 – Maps of brownfield land in the North of England

Map 1 – Capacity for new homes on brownfield land in each local authority area

Author analysis of local authority brownfield land registers.

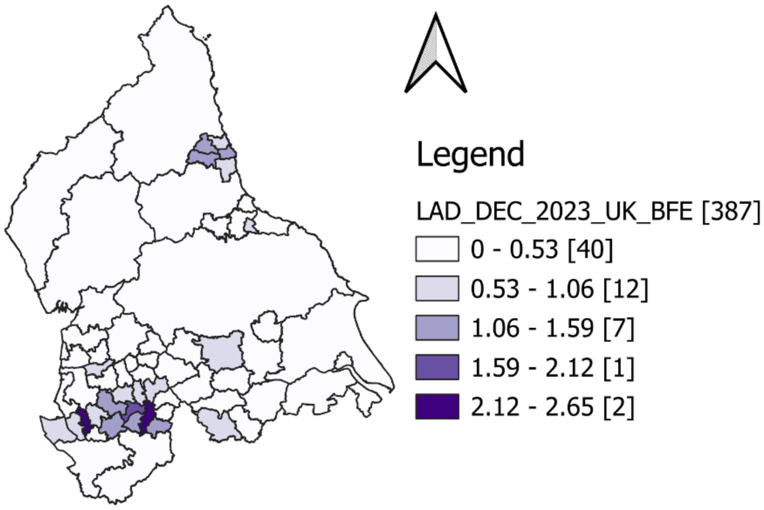


Map 2 – Identified brownfield land as a % of total local authority land area

Author analysis of local authority brownfield land registers and ONS Standard Area Measurements for local authority areas, using the Area to Mean High Water Excluding Inland Water (Land area) measure.

The local authority areas in the North where identified brownfield land makes up more than 1% of total land area are:

- Knowsley – 2.65%
- Manchester – 2.35%
- Salford – 1.85%
- Wigan – 1.56%
- Gateshead – 1.42%
- Trafford – 1.35%
- Stockport – 1.31%
- Warrington – 1.26%
- Newcastle upon Tyne – 1.13%
- South Tyneside – 1.08%



Annex 3 – Case studies

Railway Street, Leeds [46]

Through the BHF, the West Yorkshire Combined Authority has received a total of £89 million to support the development of new homes on brownfield sites.

A portion of that funding has been used to support the construction of Leanora House on Railway Street – an ongoing 58-home brownfield development in the heart of Leeds, named in memory of Leeds born suffragette, Leanora Cohen.

This scheme is built on the site of the former Yorkshire Rider Sports & Social Club, which was demolished in 2020 leaving the site vacant.

The scheme received £1.5 million from the West Yorkshire MCA's BHF, along with a further £5.3 million from Homes England and £670,000 from Leeds City Council to overcome a viability gap on the scheme, worth a total of approximately £12 million, and to ensure that the development could go ahead.

Railway Street is the first new-build development by 54North Homes, an affordable housing provider which manages over 3,500 homes across Yorkshire, and will offer 28 one-bedroom, 25 two-bedroom, and five three-bedroom apartments, designed with high-quality finishes, flexible layouts for home working, and landscaped green spaces. Each ground floor apartment will have its own garden.

[46] Details provided by colleagues at the West Yorkshire Combined Authority and 54North Homes.

This will be a 100% affordable housing development, with all 58 homes being made available for social rent, addressing the urgent need for new affordable housing in Leeds.

Scheduled for completion in November 2024, the project also includes significant sustainability ambitions. All new homes will be built to an EPC A rating, while buildings will include solar panels, electric vehicle charging points, cycle storage, and connect to the Leeds Pipes low carbon heating network for sustainable hot water.

This city centre development will also contribute towards the pledge of the Mayor of West Yorkshire, Tracy Brabin, to "provide at least 5,000 affordable homes over the next three years which are well-connected, located in sustainable places and built to address the climate emergency." [47]

Moss Nook, St Helens [48]

Moss Nook is a 95-acre brownfield site in St Helens, less than 2 kilometres from the town centre. The site is currently subject to a multi-phase regeneration project that will, upon completion, deliver up to 900 new homes, as well as leisure and sports facilities, on land that had been previously left derelict for several years and faced increasing issues with anti-social behaviour.

Because the site had previously been used for heavy industrial uses, extensive remediation needed to be undertaken before any housebuilding could take place, with a remediation strategy agreed between developers, the Environment Agency and other relevant partners.

The site was also previously made up of multiple different patches of land, all with different owners. These owners needed to be identified and multiple land purchases were required so that the full site could be assembled for redevelopment.

The Liverpool City Region Combined Authority (LCRCA) provided financial support through its devolved brownfield funding with payments of £2,050,000 and £1,954,000 to support the land remediation and infrastructure works required on two phases of the development.

These two phases will collectively deliver around 500 new homes, with additional homes to be developed on the site between now and 2026. Moss Nook is a multi-tenure development, with the first phase of 258 homes including 112 homes for market sale, 100 for rent and 50

---

[47] West Yorkshire Combined Authority (2021), 'Combined Authority agrees funding to help deliver 5,000 affordable and sustainable homes'.

[48] Details provided by colleagues at the Liverpool City Region Combined Authority.

affordable homes. The third phase of the master-planned development, which recently received planning approval, will see 295 new homes, 185 of which will be affordable housing.