

Report to: Place, Regeneration and Housing committee

Date: 8 March 2022

Subject: **West Yorkshire Regional Brownfield Analysis Report and Dashboard**

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Is this a key decision?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information or appendices?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If relevant, state paragraph number of Schedule 12A, Local Government Act 1972, Part 1:	
Are there implications for equality and diversity?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

1. Purpose of this report

- 1.1 For the Committee to note the contents of the report as an up to date evidence base of the regional brownfield housing supply and past 10 years of delivery; consider and comment on the recommendations and actions contained within the report, including how best to reflect and develop the analysis further within the forthcoming regional Housing Strategy work: and to agree to write to Government to propose they implement the key recommendations in the report.

2. Information

Regional Brownfield Analysis Report

- 2.1 Since October 2020, the Combined Authority has been in the process of producing the Regional Brownfield Analysis Report. This report (Appendix 1) sets out a detailed examination of brownfield delivery between 2010 – 2019, and all the sites within the current West Yorkshire supply. The report presents analysis on the past delivery and current supply, including the use of a sites constraints analysis using data sets covering the following four primary themes:

- Ground Conditions

- Heritage
- Environmental
- Flooding

2.2 The report presents a number of recommendations and actions, specifically tailored to address barriers preventing the successful delivery of brownfield sites in West Yorkshire. The **recommendations (as set out below) are large scale interventions and require a national policy approach directed by Government** to involve the use of additional funding streams, resources and would require longer timescales to implement. The **actions are to be explored at local level with stakeholders and partners through continuing work with West Yorkshire Directors of Development. If the Committee agree, these recommendations will be submitted to Government for them to address,**

RECOMMENDATION 1: National fiscal measures required to encourage landowners and developers to bring forward brownfield sites.

Change in national policy is required to encourage on the one hand brownfield development to move forward, but also to address vacant land not being actively brought forward by landowners. Approximately half of the current brownfield housing supply in the region remains dormant with expired or no planning permission in place, and as such the Combined Authority consider there is a need for a range of fiscal measures to encourage landowners to move sites into the market and develop much needed sites for housing. This could be applied to dormant unutilised brownfield land, which is suitable for housing given the increasing need for additional supply. A similar principle exists to tackle long term empty homes through premium council tax applied to vacant residential properties. A similar approach is urgently needed for unutilised brownfield land, which in some places has remained dormant for many years causing blight and additional burden on local services in terms of managing areas susceptible to antisocial behaviour (e.g. fly tipping, arson, etc.).

Secondly, given marginal viability issues in parts of our market acting as a barrier to development, it is suggested that Government create incentives for developers bringing forward housing schemes on brownfield sites. A comparable approach exists to tackle contaminated land, in the form of the Land Remediation Relief, and if such fiscal relief could be expanded to all brownfield sites, it may provide a financial stimulus to bring forward development. This would run alongside additional tools such as access to Brownfield Housing Fund to help unlock sites. A range of fiscal measures would work best in combination, as a prompt to landowners to engage to bring forward development on their sites, and incentive to those who do deliver much needed housing on brownfield sites.

- **Timescales:** As a national level intervention this is considered to be a long-term intervention beyond the remit of the Combined Authority, and thus would require Government policy change.
- **Resources:** The CA would welcome further discussions with DLUHC to explore options using the evidence base developed in West Yorkshire.

- **Funding:** There is not considered to be any requirement for capital funding for this recommendation but if supported by Government there may need to be resource at local level.

RECOMMENDATION 2: Proactive use of Compulsory Purchase Orders

Compulsory Purchase Orders (CPOs) are currently rarely used by public sector in housing, as they are time consuming, resource intensive, and rightly require robust evidence gathering to build a case for CPO.

However, recent proactive use of empty dwelling management orders (EDMOs) and the compulsory purchase of empty houses at a local level has been a successful initiative resulting in reducing the levels of vacant homes across the country. A similar approach now needs to be applied to vacant dormant brownfield land and could be a useful tool when used in combination with capital programmes. The Mayor, our district partners and Homes England have CPO powers and can proactively use CPO powers to support regeneration by acquiring sites from absent landowners or owners who lack the experience or resources to bring forward development.

At a national level and as part of the levelling up agenda, the government must support a more proactive approach to ensure reuse of brownfield land in our urban areas and reduce the pressure to release more greenfield land. It is acknowledged that the CPO process is relatively resource intensive and would require the building of a compelling case to enable the use of these statutory powers.

- **Timescales:** The recommendation is considered to be a medium-term intervention, as it will require specialist resources to undertake the CPO process and identify potential routes to fund acquisitions.
- **Resources:** The CPO process is relatively resource intensive, requiring input from a range of different professionals, including support from specialist technical consultants.
- **Funding:** Revenue funding will be needed to fund the resource requirement and capital funding to establish the acquisition fund to undertake the CPO process.

RECOMMENDATION 3 : Seek Government support for greater flexibility of programme funding

The national Brownfield Housing Fund (BHF) has been a welcome tool to encourage engaged owners and developers to bring forward sites. However, it fails to address the unengaged part of the market, which is arguably the most difficult to tackle and represents a significant part of the brownfield land supply. In addition, the BHF programme currently requires delivery within a relatively short development and construction timescale (by 2024) and with a benefit cost ratio of at least 1 on each site which can cause sites to fall out of the programme. A longer lead in period is required to develop investment ready proposals where the private sector is unable or unwilling to develop on brownfield sites. Also, additional flexibility within programmes would be useful to achieve a programme approach to value for money and BCR. With a more flexible approach more development can be achieved.

In addition, there is a need funding for land acquisition to enable the purchase of sites from absent landowners. This will enable the Combined Authority to acquire land for longer term delivery and enable scaling up and packaging sites together to improve value for money and Benefit-Cost Ratio (BCR), by spreading costs across a portfolio rather than to individual challenging brownfield sites. It will also be useful for additional flexibility to be applied at a programme level for sites that are primarily brownfield, but also contain an element of greenfield, as some industrial sites can sometimes be a mixture of both (e.g. Former Black Cats Fireworks – Kirklees).

The ability to acquire land is already a Mayoral power, but further and more flexible government funding programme, such as an extension to the current BHF programme, could be used regionally to unlock further brownfield land in urban centres. Greater flexibility to acquire land would enable direct control of sites, which can then be de-risked and brought to the market as part of long-term regeneration plans in partnership with developers. This will provide a greater level of shovel-ready opportunities for Registered Providers, SME commercial developers and the wider market. Not only will this increase certainty of delivery, but also increase confidence for further commercial activity on other sites where there has previously been a lack of commercial interest. More flexible funding could also be utilised for a range of uses to enable delivery of wider regeneration initiatives including the reuse of brownfield land for employment and training opportunities within communities, ecological enhancements, open space etc and a useful addition to a levelling up approach with other locally led programmes such as Towns Fund.

- **Timescales:** The recommendation is considered to be a medium-term intervention, if funding routes can be identified such as extensions to current BHF programmes, requiring detailed business case development, but could be bolted onto established local and regional arrangements based on BHF mechanisms.
- **Resources:** Business case development will require resource. Acquisitions would also require resource to manage investment portfolio including provisions to recycle funds.
- **Funding:** Revenue funding will be needed to fund the resource requirement and capital funding to establish the acquisition fund.

2.3 The actions presented are smaller scale interventions that can be achieved locally. The actions are either currently in development or can be introduced within the next 6 – 12 months, with a smaller level of resource and officer time.

ACTION 1: West Yorkshire Brownfield Housing Dashboard: We need to actively promote the level of opportunities on brownfield sites across the region. The Combined Authority has developed the West Yorkshire Brownfield Dashboard, an online mapping tool of every identified housing development opportunity on brownfield land in each of the West Yorkshire Local Authorities. It will give users essential information on location, potential development yield, planning status and policy requirements and housing price data for the local area. It will also allow the user to view constraints identified on the site, to contribute to more informed decisions in purchasing brownfield land and taking forward a development proposal. There is a speculative market in the

sale of brownfield land in which hope value plays a part in distorting the viability of taking development forward. By providing important site information, this will hopefully inform prospective purchasers and avoid them paying over inflated prices and establish more realistic values, which will help to bring forward viable development. In addition to this, the dashboard also highlights services within walking distance for any potential future residents, including access to schools, parks, shops, public transport, ultra-fast broadband etc, highlighting the positive aspects of these development sites.

ACTION 2: Brownfield Toolkit: We need to give developers confidence to take forward brownfield sites and deliver housing. The Combined Authority has drafted online guidance for developers to seek advice on how identified constraints can be overcome. This will be embedded within the Brownfield Dashboard, and signposts users to advice on constraints specifically related to the site they are interested in. The Toolkit gives legible advice on further work to be done on the identified constraint, where they can seek professional advice, who to speak to in the relevant local authority, and any funding available. The advice embedded within the Toolkit should provide a road map to overcoming any potential barriers to delivery and give prospective developers the assurance to take forward a development proposal.

ACTION 3: More Diverse Supply: As a region we need to explore ways of providing more family homes on brownfield sites that also maximise the efficient use of land. There is clearly considerable commercial interest in apartment developments on some brownfield sites. This is likely to maximise commercial returns on sites in which viability may be marginal; and it does align with maximising efficient use of land in the most sustainable locations as brownfield land is typically within urban areas with access to public transport and services. However, with two thirds of supply dedicated to apartment living, there is a dominance of one development type within the brownfield housing supply. To encourage more balanced and sustainable communities, there needs to be a focus on delivering higher levels of family housing and mixed development types on brownfield land. In addition to this, the pandemic has highlighted the importance of open space and more living space to allow for a greater level of home working. Increasing the delivery of 'housing' and 'mixed' development will enable greater access to homes that fulfil these requirements and provide mixed, sustainable and balanced communities. Achieving this aim will require public sector support in some parts of our brownfield market.

ACTION 4: Additional Support for Local Authorities: As a set of partners, we continue to provide an emphasis on prioritising brownfield land in planning for future housing growth. However, with the introduction of a greater level of scrutiny over the viability of sites during the Examination in Public and uncertainty of delivery of challenging brownfield sites compared to greenfield, it is difficult for Local Planning Authorities to promote significant levels of brownfield sites within Local Plans as evidenced over the last few years with increasing greenfield delivery compared to brownfield. We need to investigate how we can offer a higher level of support (resource, expertise, access to funding streams etc.) to assist Local Authorities, beyond that current funding streams of Housing Revenue Fund and Brownfield Housing Land Fund. This

will enable Councils to produce sufficient weight of evidence to prioritise the planning for future housing growth on brownfield land in local plans. The implementation of the programmes within the Recommendations and Actions of this report should also give greater confidence in the deliverability of brownfield sites.

Action 5: Widening the Scope of Development Pipelines: Development Pipelines typically focus on larger sites of 3ha or more, due to the fact they provide greatest returns on site to unit ratio. However, there are significant levels of potential housing units on medium and small sized sites within the brownfield supply. Small problematic sites within urban areas are unlikely to come forward independently, due to difficulties in demonstrating viability. With a greater focus on these smaller sites, (in combination with recommendations above) it will allow the Combined Authority and partners to start packaging up sites and scale up development activity. Through a scaled up programme of sites we can work with, support and build a stronger SME developer base whilst simultaneously tackle problem sites in urban areas. This could also allow the Combined Authority to start packaging up sites to form the basis of joint venture vehicles and entice greater commercial interest in range of opportunities.

Action 6: Enhanced working relationship with Northern Power Grid, Northern Gas Networks, Lead Local Flood Authorities, and the Coal Authority: Prioritising resources and funding to tackle constraints is key to bringing forward brownfield development. We need to establish a more focused response to tackling barriers to delivery on brownfield sites and targeting specific constraints. The constraints assessment of the brownfield housing supply revealed constraints related to ground conditions were the most prevalent. When examining this further, it was found that electric, gas and drainage utilities registered prominently across all sites within West Yorkshire. An enhanced working relationship with Northern Power Grid, Northern Gas Networks and Lead Local Flood Authorities would allow a greater understanding of the potential constraints and the ability to undertake works to divert or work around these assets at the very start of the development process. It would also be beneficial to utilities companies, giving them a better understanding of development pressures on their networks and where infrastructure investments may be required. Regarding closer working with the Coal Authority, this relates to tackling issues relating to brownfield land in areas of former coal mining. This is an especially pertinent issue within the Wakefield Local Authority area, which contains a significant proportion of sites impacted by former coal mine workings. This requires in-depth work to specific issues relating to these constraints and investigate long term solutions for the coal field areas. These 'ground conditions' constraints require specific and targeted funding streams for tackling identified issues and could also provide more focus for resources to expediate overcoming these barriers to delivery.

Action 7: Aligning Data Collection and Monitoring: We need to be smarter and work more closely in the gathering, sharing and use of data across the 5 West Yorkshire local authorities. There would be a positive advantage to

enhance and align all monitoring processes across the LPAs within West Yorkshire, and allow for the greater sharing of best practice. As highlighted within the report, most LPAs do not appear to be monitoring brownfield affordable housing delivery on a site-by-site basis. This places severe limits on the ability to monitor type, tenure and location of affordable housing being delivered within each Local Authority area. Given the Mayor's housing pledge to deliver 5000 affordable and sustainable homes, there is a need to start collecting and monitoring data in smarter way, using a greater level of automation to allow us to get a more detailed picture of past and current delivery and then monitor projected future supply, but also reduce the resource intensiveness of data capture.

- 2.4 The Combined Authority has undertaken regular consultation with each of the West Yorkshire Local Authorities through the course of report writing process. Specifically, the report has been presented to the Strategic Place Officers (SPOG), Heads of Planning (HoP) and the Directors of Development (DoDs), with feedback received at each stage and changes incorporated.
- 2.5 Publishing the West Yorkshire Regional Brownfield Analysis Report will allow the Combined Authority to present evidence with the in-depth analysis with key stakeholders including Department of Levelling Up, Housing and Communities which is currently considering a £300m funding pot for brownfield delivery and build a consensus on the key recommendations and actions to tackle barrier to delivery. DLUHC have expressed interest in the report, and this is considered to opportune time to engage with them and potentially influence forthcoming rounds of funding.
- 2.6 As part of the Devolution discussions with Government the CA had asked for specific and targeted housing and regeneration investment to increase strategic investment and gain control of strategic sites which can bring a more diverse housing offer forward, including more affordable homes, mixed tenure options, and SME and self-build opportunities. The report provides the evidence to seek the tools which provides resources and capacity to actively engage brownfield site owners and where required use the tools which can bring forward development in well- connected sustainable urban areas.
- 2.7 There has also been significant interest in the report from Housing Associations (incl. West Yorkshire Housing Partnership and Northern Housing Consortium working on behalf of northern HA's and LA's), as they look for solutions to accelerating the delivery of affordable homes in the region to deliver on the Mayoral Pledge. Supply of suitable land for housing is cited as a continuing issue for partners.

Brownfield Dashboard (mapping tool)

- 2.8 Since October 2020, the Combined Authority has been in the process of building an online mapping tool to present brownfield sites appropriate for housing within West Yorkshire. This has culminated in the production of the Brownfield Dashboard, which presents spatially represents each brownfield housing site and the following information:

- Site Summary - address, site size and yield, planning data, housing price data and IMD.
- Site Constraints – 4 main categories covering Ground Conditions, Heritage, Environmental and Flood Risk, each with sub-categories covering more detailed elements;
- Access to Services – 5 main categories of facilities with 15 minutes walking distance covering Education, Leisure, Shops & Services, Healthcare, Parks & Open Space, and Infrastructure

2.9 Allowing the Brownfield Dashboard to be publicly accessible, via the Combined Authority website, will provide access to a wide range of stakeholders (landowners, Register Providers, developers, community land trusts etc.) to be able to explore the wide range of brownfield housing opportunities within West Yorkshire. Lack of development opportunities is frequently highlighted by Registered Providers as a barrier to delivering affordable homes, and therefore, the information contained with the dashboard can contribute to meeting the target of delivery 5,000 affordable homes by 2023/24.

3. Tackling the Climate Emergency Implications

3.1 The Brownfield Dashboard incorporates an 'Access to Services' output for each site, which encourages the delivery of housing within locations that are within 15 minutes' walk of essential services and therefore allows access to education, retail, healthcare and other services without the need for a car. This supports the reduction of transport related carbon emissions by encouraging the delivery of homes in well-connected sustainable locations.

4. Inclusive Growth Implications

4.1 As stipulated under paragraph 3.1, the Brownfield Dashboard encourages the delivery of housing within locations that are within 15 minutes' walk of essential services and access to ultrafast broadband. The Brownfield Dashboard, therefore, promotes the ability to encourage new homes in more sustainable locations that allow a greater accessibility to learning/retraining opportunities and enhanced digital inclusion.

5. Equality and Diversity Implications

5.1 The Regional Brownfield Analysis Report and Brownfield Dashboard are directly linked to encouraging the reuse of previously developed land. Many of these brownfield sites are located within urban areas, which are typically neighbourhoods of the highest levels of deprivation in the region. The 'Report and Dashboard are considered essential elements in encouraging development on brownfield sites and to deliver much needed good quality housing within deprived neighbourhoods.

6. Financial Implications

6.1 There are no immediate financial implication of publishing the Regional Brownfield Analysis Report and releasing the Brownfield Dashboard on the Combined Authority website. However, the 'Report does contain a number of recommendations and actions, would require sources of funding to implement.

7. Legal Implications

7.1 It is not considered there are any Legal or Compliance implications of publishing the Regional Brownfield Analysis Report and releasing the Brownfield Dashboard on the Combined Authority website.

8. Staffing Implications

8.1 There are no immediate staffing implications of publishing the Regional Brownfield Analysis Report and releasing the Brownfield Dashboard on the Combined Authority Website. However, the 'Report does contain a number of recommendations and actions, and may require the commission of additional levels of officer resources to implement.

9. External Consultees

9.1 No external consultations have been undertaken.

10. Recommendations

10.1 To note the contents of the report as an up to date evidence base of the regional brownfield housing supply and past 10 years of delivery.

10.2 Consider and comment on the recommendations and actions contained within the report, including how best to reflect and develop the analysis further within the forthcoming regional Housing Strategy work.

10.3 To agree to write to Government to propose they implement the recommendations in paragraph 2.2.

11. Background Documents

There are no background documents referenced in this report.

12. Appendices

Appendix 1 – West Yorkshire Regional Brownfield Analysis Report
Consultation Draft