

Subject: NTCA Brownfield Housing Fund Programme Pipeline**Report of: Principal Housing and Infrastructure Manager****Portfolio: Housing, Land & Development**

Report Summary

In July 2020, the North of Tyne Combined Authority (NTCA) was awarded a £23,853,618 share of the £400m Brownfield Housing Fund. On 29th September 2020, NTCA Cabinet considered a report on the North of Tyne Brownfield Housing Fund Programme and authorised the Head of Paid Service, in consultation with Investment Panel, the Housing and Land Board and the Mayor to consider and agree the North of Tyne Brownfield Housing Programme.

In November 2020, an initial pipeline of brownfield sites totalling £21.4 million was agreed by Investment Panel and a delegated decision taken by the Interim Head of Paid Service. An updated pipeline of sites totalling £26.1 million was agreed in June 2021.

An extension to Brownfield Housing Fund was announced in the Levelling Up White Paper in February 2022. NTCA has been awarded an additional £7,976,893 share, bringing the total amount of Brownfield Housing Funding awarded to £31,830,511.

Work has been ongoing to identify additional schemes for the programme and NTCA have commissioned external independent advice to assist with the development, assessment and prioritisation of the brownfield pipeline, to ensure that shortlisted schemes are robustly programmed, and outputs are tested.

The purpose of this report is to accept three additional schemes which meet the criteria of the Brownfield Housing Fund onto the North of Tyne Brownfield Housing Fund Programme.

Recommendations

The Head of Paid Service is recommended to

- i. Agree that the three additional schemes which have made it past the gateway process, are accepted onto the North of Tyne Brownfield Housing Fund programme. The schemes are listed in paragraph 1.5.

1. Background Information, Proposals and Timetable for Implementation

- 1.1 In July 2020, the NTCA was awarded a £23,853,618 share of the £400m Brownfield Housing Fund. The funding is intended to support the development of at least 1,500 new homes on brownfield sites across the North of Tyne area. The aim of the fund is to remediate and revitalise brownfield sites across the area for the provision of new homes. The fund can be used on sites with demonstrable market failure, with a benefit cost ratio floor of 1.
- 1.2 As a Mayoral Combined Authority, NTCA will benefit from enhanced financial support and partnership working to deliver on housing priorities across the area. The Brownfield Housing Fund is the first housing allocation for the North of Tyne Combined Authority and an opportunity to leverage further investment in future years if delivery targets are met.
- 1.3 NTCA Cabinet approved the overall approach to delivery of the Fund in September 2020 and an initial pipeline of 14 schemes totalling £21.4 million were recommended for approval by Investment Panel and Housing and Land Board in November 2020. An increased pipeline totalling £26.1 million was subsequently agreed by Investment Panel and Housing and Land Board in April 2021.
- 1.4 As part of NTCA's work to continuously develop the Brownfield Housing Fund pipeline, a call for sites was undertaken in Autumn 2021. As per NTCA's standard approach, a prioritisation framework was applied to potential sites and the schemes were assessed against gateway criteria such as site eligibility, evidence of market failure, deliverability, benefit cost ratio (BCR) and Subsidy Control.
- 1.5 NTCA was awarded an additional £7,976,893 in Brownfield Housing Funding in the Levelling Up White Paper in February 2022. This is an extension to the existing fund, is subject to the existing same criteria and linked to the unlocking of an additional 500 homes. As a result of this additional funding, three additional schemes have been identified for inclusion on the programme:
 - Scotswood The Rise Phases 3, 5 and 5A
 - Quayside West
 - The Esplanade, Whitley Bay
- 1.6 Investment Panel considered the additional Brownfield Housing Fund schemes in March 2022 and recommended to the Head of Paid service that the additional schemes are accepted onto the programme.
- 1.7 With the proposed additions to the brownfield pipeline, the Brownfield Housing Fund programme will include the following schemes:
 1. Forth Yards Pottery Lane
 2. Newbiggin Hall
 3. Buddle Road, Co-Hut Community Led Housing Development
 4. Scotswood The Rise Phase Two
 5. Ouseburn Mouth
 6. Walker Riverside
 7. North Shields Masterplan Area
 8. Hadston Industrial Estate
 9. Phase 3 and 4 at Former Ellington Colliery
 10. Moorside, Newbiggin
 11. Commissioners Quay, Blyth
 12. Bellingham Mart
 13. Lyndon Walk, Blyth
 14. New Hartley Garages
 15. Howdon Metro Industrial Estate and Land east of Howden Metro
 16. Scotswood The Rise Phases 3, 5 and 5A
 17. Quayside West

18. The Esplanade, Whitley Bay

- 1.8 NTCA in collaboration with the Local Authorities will manage the Brownfield Housing Fund programme till 2025, updating the delivery plan through DLUHC's annual statement process. The development and management of the Brownfield Housing Fund programme sits within an overall context of enabling the continuous development of a pipeline of sites and proposals to take advantage of a variety of different funding opportunities.

2. Potential Impact on Objectives

- 2.1 The proposed programme relates to supporting economic activities which are highlighted in the Devolution Deal, the Economic Vision and in support of the six design principles for housing agreed by Cabinet in the Delegated Decision report of April 2020. The acceptance of the schemes onto the NTCA Brownfield Housing Fund Programme helps NTCA meet our stated ambitions to increase the supply of new homes in the North of Tyne.

3. Key Risks

- 3.1 Programme risks are managed in line with agreed processes and Individual project risks will be considered as part of the application and appraisal process.

4. Financial and Other Resources Implications

- 4.1 NTCA has been awarded a £31,830,511 share of capital funding relating to the Brownfield Housing Fund (BHF). The capital funding is allocated over five years till the 31st March 2025, at which point all of the funding must be defrayed. The 5-year allocation is based on pipeline schemes across the three constituent authorities.

5. Legal Implications

- 5.1 The comments of the Interim Monitoring Officer are included in the report.

6. Equalities Implications

- 6.1 NTCA is committed to driving equality and diversity in housing. The measures contained within this paper will help the NTCA meet its duties under the Equality Act 2010, particularly around advancing equality of opportunity for those with protected characteristics, particularly with regard to socio-economic background.

7. Inclusive Economy Implications

- 7.1 The North of Tyne Brownfield Housing Fund Programme will support the growth of the North of Tyne economy in an inclusive manner, providing opportunities for community growth as well as supporting the wider inclusive economy work of the Combined Authority by enabling the delivery of high-quality homes in a range of type and tenure and supporting economic regeneration priorities in localities. NTCA has clear policies around social value and inclusion which were considered by Cabinet in July 2020.

8. Climate Change Implications

- 8.1 The Combined Authority is committed to exploring a range of methods, from modern methods of construction through to greater use of local suppliers to reduce the carbon impact of new housing.

9. Consultation and Engagement

- 9.1 NTCA has consulted with the three constituent local authorities, the Housing and Land Board, Investment Panel and the Department for Levelling up, Housing and Communities (DLUHC). NTCA officers have liaised with relevant officers from other combined authorities (namely Tees Valley, West

Yorkshire, Sheffield City Region, Greater Manchester and Liverpool City Region) to understand their approaches in a wider context.

10. Appendices

None

11. Background Papers

11.1 NTCA Cabinet Paper 29th September 2020, Brownfield Housing Fund

<https://www.northoftyne-ca.gov.uk/wp-content/uploads/2020/09/20200929-Cabinet-Agenda-Pack.pdf>

11.2 NTCA Delegated Decision 1st December 2020, NTCA Brownfield Housing Fund Programme Pipeline

[https://www.northoftyne-ca.gov.uk/documents/?document_ids\[\]=4747&document_ids\[\]=4749](https://www.northoftyne-ca.gov.uk/documents/?document_ids[]=4747&document_ids[]=4749)

11.3 NTCA Delegated Decision 18th June 2021, NTCA Brownfield Housing Fund Programme Pipeline

[https://www.northoftyne-ca.gov.uk/documents/?document_ids\[\]=5858&document_ids\[\]=5860](https://www.northoftyne-ca.gov.uk/documents/?document_ids[]=5858&document_ids[]=5860)

12. Contact Officers

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11. Sign-off

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| 1) Mayor and Portfolio holder Yes | 2) Director/SMT Yes | 3) Chief Finance Officer: Yes | 4) Monitoring Officer: Yes | 5) Head of Paid Service: Yes |
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