

Greater Manchester Combined Authority

Date: 11th February 2022

Subject: GM Brownfield Housing Fund – Further Funds Bid

Report of: Salford City Mayor Paul Dennett, Portfolio Lead for Housing, Homelessness

and Infrastructure and Steve Rumbelow, Portfolio Lead Chief Executive for

Housing, Homelessness, and Infrastructure

PURPOSE OF REPORT:

This report seeks the Greater Manchester Combined Authority's approval to allocate grant funding to those sites recommended within this report and subsequently enter into individual Grant Agreements with the respective parties.

RECOMMENDATIONS:

The GMCA is requested to:

- Approve receipt of the DLUHC Further Brownfield Housing Funds and allocation of grant funding to those sites set out within para 2.3 and the entering into individual Grant Agreements for those recommended sites; and
- 2. Delegate authority to the GMCA Treasurer acting in conjunction with the GMCA Monitoring Officer to agree the final terms of all the necessary agreements.

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Equalities Impact, Carbon and Sustainability Assessment:

Alongside the preparation of this report the GMCA Decision Tool has also been populated to assist with the decision-making process. Given the nature of the decision required only Section 5 of the Impacts Questionnaire relating to the Economy was relevant. To which, the recommendations being sought approval for as part of this report were evaluated as having a long-lasting positive impact (Green RAG rating) as set out in the table below. There are no other implications to note.

Impacts Questionnaire

Impact				
Indicator	Result	Justification/Mitigation	Guidance	
Equality and			See Equalities Impact	
Inclusion			Assessment Result	
Health				
Resilience and				
Adaptation				
Housing				
		Further allocated BHF monies from DHLUC will		
		help to support additional schemes (to those		
		already benefitting from BHF monies and previous		
Economy		CA approvals) and has long term implications for		
		increasing housing supply across GM and in turn		
		positively supporting and enhancing GM's		
		Economy.		
Mobility and				
Connectivity				
Carbon, Nature			See Carbon	
and			Assessment Result	
Environment				
Consumption				
and Production				

Contribution to achieving the Greater Manchester Carbon Neutral 2038 target. Schemes put forward as part of this further submission to DHLUC have had due regard to sustainability credentials in line with the Carbon Neutral 2028 target and applied through an agreed set of deliverability criteria.

Risk Management

The grants will be conditional upon a satisfactory outcome of detailed due diligence and ongoing monitoring confirmation that the schemes are being delivered satisfactorily.

In view of the nature of the DLUHC/MHCLG grant funding agreements for BHF any conditions will be mirrored in agreements between the GMCA and scheme promoters, mitigating any risk retained by the GMCA.

Legal Considerations

A detailed grant agreement and other associated legal documentation will be completed for each scheme ahead of the first grant payment.

There are no Subsidy Control implications associated with either GMCA accepting the grant or signing the grant agreements with MHCLG in relation to the BHF. Subsidy Control requirements will be considered further for each individual scheme allocation with any allocation being state aid compliant.

Financial Consequences - Revenue

Any revenue costs are anticipated to be funded through the existing Brownfield Housing Fund Revenue Grant received alongside the capital allocation.

Financial Consequences – Capital

Capital expenditure is provided by the further £ 11,383,097 BHF Capital Grant allocation. There are therefore no capital consequences for the GMCA.

Monitoring and reporting assurance will form part of the existing Single Pot Assurance Framework. The GMCA Accounting Officer will be required to confirm that investment is being used for the purposes agreed under the respective fund to deliver to fund's objectives.

Number of attachments to the report: 0

Comments/recommendations from Overview & Scrutiny Committee N/A

Background Papers

- 1. Brownfield Housing Fund Tranche 1 (GMCA Approval on 30th October 2020)
- Brownfield Housing Fund Additional award of funding from MHCLG (GMCA Approval on 12th February 2021)
- 3. Brownfield Housing Fund Tranche 2 (GMCA Approval on 26th March 2021)

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution

Yes

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency?

No

GM Transport Committee

N/A

Overview and Scrutiny Committee

N/A

1. Introduction/Background

- 1.1 DLUHC invited proposals on 9th December 2021 from all CA's for the allocation of Further Brownfield Housing Funds (BHF) which had been made available.
- 1.2These funds are not part of the previously allocated £400m BHF as reported to the GMCA in July 2020, or part of the new £300m which is anticipated to be outlined further in the White Paper
- 1.3 Proposals were requested by a deadline of 5pm on 14th December 2021.
- 1.4 Districts were informed of the availability of funds and invitation to submit proposals through Directors of Place and eligible schemes were sought.
- 1.5 On 31st January 2022, DLUHC confirmed that the submission had been approved.

2. Eligibility and Schemes

- 2.1 Schemes were required to comply with the usual BHF eligibility as follows;
 - Deliver Housing on Brownfield sites
 - Minimum BCR of 1
 - Maximum £15k per home
 - Viability Gap preventing development
 - Capital Spend only
- 2.2 In addition, all spend must be achieved before 31st March 2022.
- 2.3 The following schemes and grant allocations have been agreed by DHLUC.

District	Applicant	Scheme/Address	Units	Grant
Bolton	Bolton at Home	Lever Gardens, Little Lever	68	£481,097

Manchester	Manchester One	Moston Campus	60	£900,000
	Manchester One	Oldham Rd/Dulverston St,	75	£585,000
		Newton Heath		
	Nuvu Development	Jackson's Brickworks, Ten	313	£3,705,000
	Limited, Your	Acres Lane		
	Housing			
Salford	Winworth	Dudley Street, Eccles	21	£270,000
	Construction/Forviva			
Ctoolmont	C 9 C /Cto also art	Man Mill	252	62 652 000
Stockport	C&C/Stockport	Wear Mill	253	£3,652,000
Tameside	Southway Housing	Emmanuel Court	42	£530,000
Trafford	Trafford	Magistrates Courts, Sale	84	£1,260,000
			916	£ 11,383,097

2.4 A verbal approval has now been received from DLUHC about the GMCA's allocation following DLUHC's press release on the 30th January, which made reference to £30 million being awarded to 3 Mayoral Combined Authorities in Greater Manchester, Tees Valley and West Midlands on disused brownfield land. We therefore need to enter the agreements on successful schemes and approval is requested from the CA to receive the grant award from DHLUC and to enter into the necessary grant agreements with the final recipients.

3 Recommendations

3.1 Recommendations are set out at the front of this report.