

North Yorkshire Council

Report to Director of Corporate Resources

2 September 2025

Application for Brownfield Housing Grant Funding of up to £1,200,000 to the Mayoral Combined Authority

Report of the Corporate Director Community Development

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval to apply for a sum of up to £1,200,000 of Brownfield Housing Fund grant to develop 48 new affordable homes from the York and North Yorkshire Combined Authority.

2.0 BACKGROUND

- 2.1 The York and North Yorkshire Combined Authority have recently announced their third round of Brownfield Housing Funding, which has been made available to local authorities and other partners. The Council is intending to make applications for 4 separate schemes, which will enable the development of 48 new affordable homes.
- 2.2 The purpose of the Brownfield Housing fund is to bring brownfield land back into use where there has been evidence of market failure. There have been 2 previous rounds of Brownfield Housing Fund, which the Council has previously successfully applied for. In round 1, we were granted £84,000 to convert a property in Harrogate into 6 flats for shared ownership. This is currently on site and is due for completion by the end of this year. In round 2, we were awarded £224,000 to redevelop a former council owned Elderly Persons Home in Gargrave near Skipton into 16 new homes, which will be a mix of rented and supported living homes. Detailed designs are currently being undertaken, with a view to submitting a planning application by the end of this year.
- 2.3 The deadline for submitting applications for this round of the fund is 12th September with decisions made on the applications by the end of October 2025. The council will be required to enter into a grant funding agreement, which will need to be signed off by 14th January 2026. We will then have until March 2029 to start on site with the schemes.
- 2.4 The proposed intervention rate for the funding is based on an average of £25,000 per individual unit. Based on current financial appraisals for the 4 schemes, we are intending to apply for that amount per unit. As we will be seeking to deliver 48 homes in total this will amount to a combined amount of £1,200,000 of Brownfield Housing Funding that we will be applying for.
- 2.5 There is a requirement in this round of funding that all proposals will provide 100% affordable housing. As a result, after careful consideration of a long list of potential schemes, we have arrived at the 4 schemes, which will be outlined below.

3.0 PROPOSAL

3.1 The Council is intending to apply for Brownfield Housing Funding for the following 4 schemes:

3.1.1 Accommodation for homeless households Scarborough Town

This project is to convert 3 properties, which are currently empty in Scarborough, 2 of which are former guest houses and 1 an empty retail unit with living accommodation above into 8 self-contained flats, which will be used as temporary accommodation for homeless households.

The properties are located on the edge of Scarborough town centre, close to services and amenities and are now unsuitable for their previous usage, due to changing market requirements.

The cost estimate for this scheme amounts to £1,176,000 for conversion into 8 flats. The intention is to apply for £25,000 Brownfield Housing Funding for each flat, which will amount to a total funding of £200,000.

3.1.2 Former HMO conversion, Scarborough

The project is to convert a former HMO into 9 self-contained flats to be used to house homeless households. The Council purchased the former HMO, which has been empty for 12 months.

We have developed detailed plans to convert the property into 8 x 1-bedroom self-contained flats and 1 flat with shared facilities, to a high standard, which will provide well managed accommodation. The total costs of the works required to undertake the conversion is estimated to £824,000, which includes the acquisition costs and all relevant fees. We intend to apply for £225,000 from the Brownfield Housing Fund to support the works.

The aim is to complete the works by Quarter 2 in 2026/27.

Both projects in Scarborough would assist in the reduction of using emergency accommodation in the form of B&Bs and Hotels.

3.1.3 Hemingbrough Property near Selby

The project is to convert a former block of 8 private flats, which has been acquired by the Council, which were not fit for purpose in their current form and required demolition. As a result, we will demolish the current structure and rebuild as 6 general needs housing for rent, which will go into the Housing Revenue Account. 4 of the flats will be 1 bedroom and 2 of the flats will be 2 bedroom.

We intend to apply for £150,000 from the Brownfield Housing fund to support the works.

The total cost of undertaking the works, including fees is estimated to £753,070. The works will be undertaken in Quarter 2 in 2026/27.

3.1.4 Place of Change Facility: Scarborough

This scheme is to provide a Place of Change supported living scheme with a range of associated services for vulnerable single households in Scarborough. The scheme will be aiming to provide a total of 25 homes, which at the grant rate of £25k per home, will amount to a total of £625,000.

4.0 CONSULTATION UNDERTAKEN AND RESPONSES

- 4.1 Consultation has taken place with relevant internal service areas across the authority. These include Property services, the Housing Needs team in respect of the temporary accommodation requirements, and the Council's Children and Young Persons Services
- 4.2 The relevant local members will be consulted with for the various schemes ahead of any planning applications being submitted.
- 4.3 The former guest houses and retail unit in Scarborough will require planning permission as will involve a change of use of the properties. As a result, consultation will be undertaken with neighbouring properties and statutory consultees as part of the formal planning process.
- 4.4 The Place of Change scheme will also require planning permission, and likewise consultation will take place as part of the formal planning process.

5.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 5.1 The scheme contributes principally to the following Council priority:

6.0 ALTERNATIVE OPTIONS CONSIDERED

- 6.1 Do nothing: Not applying for Brownfield Housing funding would affect the viability of the 4 projects and at the very least would require a higher level of internal funding to enable them to be delivered.
- 6.2 Submit other projects for the funding: A long list of potential projects was considered for this funding round. The majority of these dismissed, mainly due to the requirement for them to provide 100% affordable housing.

7.0 IMPACT ON OTHER SERVICES/ORGANISATIONS

- 7.1 In terms of the 2 projects for accommodation for homeless households in Scarborough, this will have a positive impact, as it will reduce the need to utilise emergency accommodation in the form of B&Bs and Hotels.

8.0 FINANCIAL IMPLICATIONS

- 8.1 Council funding for the projects above will be provided through existing general fund affordable housing initiatives fund and the Housing Delivery Fund in the HRA for the Hemingborough project. The inclusion of brownfield housing funding into these schemes supports the financial viability of these schemes. Indicative financial appraisals have been undertaken for all the 4 schemes which will be further developed as the schemes progress.

9.0 LEGAL IMPLICATIONS

- 9.1 Should the applications for funding be successful then the Council will be required to enter into grant funding agreements with the Combined Authority. The decision on whether the applications are successful is due to be made by the end of October, and the grant funding agreement will be issued shortly after that. The Council will be required to enter into the grant funding agreement by 14 January 2026.

10.0 EQUALITIES IMPLICATIONS

- 10.1 An Equalities Impact Assessment screening has been undertaken, which highlighted that there would be no adverse impacts, and a full Equalities Impact Assessment would not be required. The proposal would have positive impacts, particularly for persons on low income in need of affordable housing. See Appendix A.

11.0 CLIMATE CHANGE IMPLICATIONS

- 11.1 An initial Climate Change Impact Assessment has been undertaken, which highlighted that there would be no adverse impacts, and a full Climate Change impact Assessment would not be required. See Appendix B.

12.0 RISK MANAGEMENT IMPLICATIONS

- 12.1 The following key risks have been identified with the submission of the application as follows:
- 12.1.1 Funding not approved: if the funding is not approved, it will impact on the viability of the projects and the council would have to put in a greater amount of its own resources to deliver the projects. In mitigation, we are able to meet all the required criteria for the funding, so would see this as a low risk.
 - 12.1.2 Council is awarded funding but is unable to deliver the projects: If the Council fails to deliver the projects, then any funding would need to be repaid to the Combined Authority. This is a low risk, as there is a strong strategic need for these projects.
 - 12.1.3 Council fails to comply with the requirements of the Grant Funding Agreement: There would be potential legal implications in respect of the funding if the Council fails to comply with the funding agreement. To mitigate against this risk, the Council will have regular dialogue with the Combined Authority and will communicate any potential changes to the projects should they arise.

13.0 REASONS FOR RECOMMENDATIONS

- 13.1 To provide external funding from the Brownfield Housing Fund to enable the development of 48 new affordable homes within North Yorkshire.

14.0 RECOMMENDATION

- 14.1 That the Corporate Director Resources following consultation with the Executive Member for Finance and the Executive Member for Culture, Arts, and Housing, authorises the submission of an application for grant funding of up to £1.2 million from the Brownfield Housing fund, which will support the development of up to 48 new affordable homes across North Yorkshire.

APPENDICES:

Appendix A – Equality Impact Assessment
Appendix B – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

Nic Harne
Corporate Director – (*Community Development*)
County Hall
Northallerton
2 September 2025

Report Author – John Burroughs: Housing Delivery Manager

Presenter of Report – John Burroughs: Housing Delivery Manager

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

APPENDIX A

| <p>Initial equality impact assessment screening form This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</p> | | | |
|---|------------------------------|---|------------------------------|
| Directorate | | Community Development | |
| Service area | | Housing | |
| Proposal being screened | | To submit a bid for Brownfield Housing funding from the York and North Yorkshire Combined Authority | |
| Officer(s) carrying out screening | | John Burroughs | |
| What are you proposing to do? | | To apply for funding of £1.2 million from the Brownfield Housing Fund to enable the development of 48 new affordable homes on 4 sites across Scarborough and Selby. | |
| Why are you proposing this? What are the desired outcomes? | | To meet local housing needs both for rented homes and also to meet temporary accommodation needs and make savings to the temporary accommodation budget | |
| Does the proposal involve a significant commitment or removal of resources? Please give details. | | No | |
| <p>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> To what extent is this service used by particular groups of people with protected characteristics? Does the proposal relate to functions that previous consultation has identified as important? Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your directorate representative for advice if you are in any doubt.</p> | | | |
| Protected characteristic | Potential for adverse impact | | Don't know/No info available |
| | Yes | No | |
| Age | | ✓ | |
| Disability | | ✓ | |
| Sex | | ✓ | |
| Race | | ✓ | |
| Sexual orientation | | ✓ | |
| Gender reassignment | | ✓ | |
| Religion or belief | | ✓ | |
| Pregnancy or maternity | | ✓ | |
| Marriage or civil partnership | | ✓ | |
| People in rural areas | | ✓ | |
| People on a low income | | ✓ | |
| Carer (unpaid family or friend) | | ✓ | |
| Are from the Armed Forces Community | | ✓ | |
| Does the proposal relate to an area where there are known inequalities/probable impacts (for example, disabled people's access to public transport)? Please give details. | | No | |

APPENDIX A

| | | | | |
|--|---|--------------------------------------|------------------------------|--|
| <p>Will the proposal have a significant effect on how other organisations operate? (for example, partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.</p> | <p>No</p> | | | |
| <p>Decision (Please tick one option)</p> | <p>EIA not relevant or proportionate:</p> | <p style="text-align: center;">✓</p> | <p>Continue to full EIA:</p> | |
| <p>Reason for decision</p> | <p>Decision has no adverse impact, as it is just a funding application at this stage. Further approvals will be required for the individual schemes as they progress, which will include individual Equalities Impact Assessments</p> | | | |
| <p>Signed (Assistant Director or equivalent)</p> | <p>Andrew Rowe</p> | | | |
| <p>Date</p> | <p>4th August 2025</p> | | | |

Initial Climate Change Impact Assessment (Form created August 2021)

The intention of this document is to help the council to gain an initial understanding of the impact of a project or decision on the environment. This document should be completed in consultation with the supporting guidance. Dependent on this initial assessment you may need to go on to complete a full Climate Change Impact Assessment. The final document will be published as part of the decision-making process.

If you have any additional queries, which are not covered by the guidance please email climatechange@northyorks.gov.uk

| | |
|---|--|
| Title of proposal | Application for Brownfield Housing funding to the York and North Yorkshire Combined Authority |
| Brief description of proposal | To submit an application for £1.2 million funding from the Brownfield Housing Fund to enable the development of 48 new affordable homes across 4 separate schemes |
| Directorate | Community Development |
| Service area | Housing |
| Lead officer | Andrew Rowe |
| Names and roles of other people involved in carrying out the impact assessment | John Burroughs |

APPENDIX B

The chart below contains the main environmental factors to consider in your initial assessment – choose the appropriate option from the drop-down list for each one.

Remember to think about the following;

- Travel
- Construction
- Data storage
- Use of buildings
- Change of land use
- Opportunities for recycling and reuse

| Environmental factor to consider | For the council | For the county | Overall |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Greenhouse gas emissions | No effect on emissions | No Effect on emissions | No effect on emissions |
| Waste | No effect on waste | No effect on waste | No effect on waste |
| Water use | No effect on water usage | No effect on water usage | No effect on water usage |
| Pollution (air, land, water, noise, light) | No effect on pollution | No effect on pollution | No effect on pollution |
| Resilience to adverse weather/climate events (flooding, drought etc) | No effect on resilience | No effect on resilience | No effect on resilience |
| Ecological effects (biodiversity, loss of habitat etc) | No effect on ecology | No effect on ecology | No effect on ecology |
| Heritage and landscape | No effect on heritage and landscape | No effect on heritage and landscape | No effect on heritage and landscape |

APPENDIX B

If any of these factors are likely to result in a negative or positive environmental impact then a full climate change impact assessment will be required. It is important that we capture information about both positive and negative impacts to aid the council in calculating its carbon footprint and environmental impact.

| | | | | |
|--|--|---|------------------------|--|
| Decision (Please tick one option) | Full CCIA not relevant or proportionate: | x | Continue to full CCIA: | |
| Reason for decision | The report is just to seek approval to submit a bid for funding to the Combined Authority. Climate Change Impact Assessments will be undertaken for each individual scheme as and when they seek approval to be progressed, which may or may not require a full impact assessment. | | | |
| Signed (Assistant Director or equivalent) | Andrew Rowe | | | |
| Date | 4 th august 2025 | | | |