

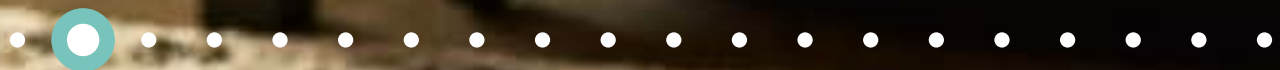
# Unlocking brownfield land

A social housing first policy

How utilising brownfield land could help  
to tackle England's social housing crisis

# Who is EDAROTH?

The answer is in the name. We believe that **Everybody Deserves A Roof Over Their Head** and that everyone should have a place they are proud to call home which is safe, secure and truly affordable. At EDAROTH we offer a new way to tackle the social and affordable housing challenge. As a subsidiary of Atkins With the capability to combine end-to-end development expertise and design excellence with off-site manufacturing techniques, we aim to deliver sustainable homes that enhance communities and improve lives.



# Foreword

As a new decade dawns, we face a housing crisis which has been generations in the making.

**Mark Powell**  
MANAGING DIRECTOR  
EDAROTH



In the last 30 years we have witnessed an undersupply of housing which has impacted all ages in every community and in every part of the country. Nowhere has it been more acutely felt than in low-to-median income households, who struggle to cope with increased house prices and unaffordable rents, increasing the risk of homelessness and families being forced into emergency accommodation. Couple this with a growing and ageing population presenting new challenges to our services and infrastructure to provide suitable housing for later life – and we now find ourselves in a situation where **we need to build homes at a level not seen since the council house boom following World War II.**

To achieve this, government, public sector landowners, and local authorities must start building again to restock and grow local authority-owned housing to reduce the reliance on private sector developers. We must **think differently, learn lessons from the past, and embrace new and innovative practices** that will accelerate the delivery of new social homes across the UK.

Due to the advances in modern methods of construction, brownfield land previously deemed too difficult to develop presents a unique opportunity to deliver social housing within existing communities. This will provide **truly affordable homes with access to education, employment and opportunity**, allowing people to live their lives in communities where they can prosper.

We support the Government's pledge to deliver a minimum of 1 million homes over the next five years, and we eagerly await the much-anticipated social housing white paper. We also welcome the Government's commitment to help first time buyers realise home ownership, and the increased protection for people living in rented housing. It is important to recognise that **there will need to be more than one answer to the problem.** It will take vision, collaboration and commitment across central government, local government and the private sector to meet the growing challenge we now face to ensure everyone has a safe, secure and truly affordable place to call home.

There has been a great deal of speculation as to the potential for brownfield sites to deliver new homes in the UK. While much of this has been encouraging, it's important to paint a clear picture of what the real potential impacts, and benefits, are.

In this paper we will not just focus on the numbers of houses needed, but also where they are needed to deliver the greatest positive impact for the residents and the surrounding communities.

This white paper will be the first in a series designed to assess the real potential of brownfield sites in different parts of the UK to deliver the housing we need.



# We need more social housing now


Safe, secure and affordable housing is fundamental to the health and wellbeing of people and the communities they live in.

Research carried out by Heriot-Watt University on behalf of the National Housing Federation 'State of the nation' report, published September 2019, estimated 8.4 million people in England are living in unaffordable, insecure or unsuitable homes. There are a number of reasons that can be attributed to this problem, but one thing is abundantly clear: **there are not enough social and truly affordable homes available to meet the challenge.**

In England it has been estimated that we need to deliver at least 300,000 new homes a year, a target not achieved since 1971. In addition, England needs to deliver 90,000 new homes every year for social/affordable rent, levels not achieved since 1980.

Recent years have seen increases in house building. However, according to data from Shelter's report 'Building for the future - A vision for social housing' the **actual number of homes completed fall far short of what's needed.** In 2018 around 169,000 homes were built, of which only 17% (29,000) were delivered for social housing. In the same year there were 1,114,477 households on housing waiting lists, which represents 4.04% of England's households.

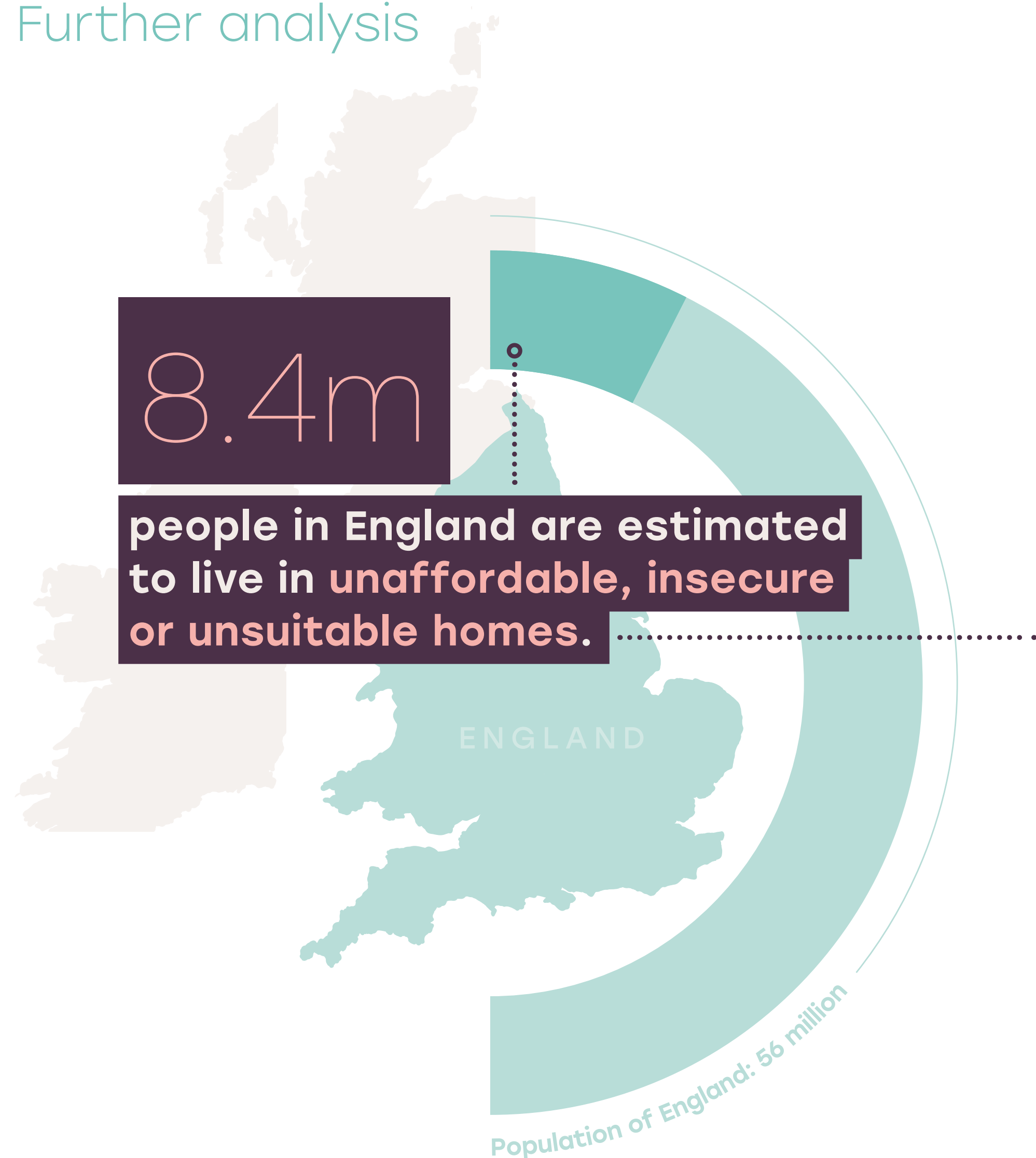


**An estimated:**  
 **300,000**

**new homes a year need to be built in England**  
**A target not achieved since 1971**



## Further analysis



### Further analysis provides stark reading:

- › **3.6 million** living in overcrowded conditions
- › **2.5 million** unable to afford rent or mortgages
- › **2.5 million** 'hidden households' who can't afford to move out including house shares and those living with parents
- › **1.7 million** living in unsuitable accommodation including - older people, families and people with disabilities trapped in unsuitable and inappropriate housing accommodation
- › **1.4 million** households living in poor quality homes
- › **400,000** people homeless or at risk of homelessness
- › **135,000** children homeless or living in temporary accommodation, the homeless charity Shelter recently estimated

# So what's the problem?

Statistics released by the National Audit Office (February 2019), stated the likelihood that more than half of local authorities will miss their 'new housing targets', highlighting the struggle that exists to deliver social and affordable housing where it's most needed.

Much of this is due to the planning system and the struggle between local authorities, building companies and developers to negotiate successfully.

A significant proportion of affordable and social housing is delivered through the Section 106 agreements (part of Town and Country Planning Act 1990) which is negotiated between local authorities and private sector developers. It has become increasingly evident that **the 106 agreement has failed to yield the level of social housing needed to meet current and future demand.**

Brownfield land presents higher up-front development costs when compared to greenfield land, due to associated complexities and uniqueness of sites. This may include costly remediation, demolition of existing structures and, in some places, decontamination. For many traditional developers this introduces considerable barriers when considering the economic case and potential returns. For local authorities this inhibits their opportunity to attract developers. This is especially acute within inner-city, high-density areas where the only real potential for new housing is to develop brownfield or previously-developed land.

Coupled with remediation costs, many brownfield sites are ignored due to additional complexities including size, shape and lack of site access. For this reason most traditional builders and developers have deemed this land too difficult, or impossible, to develop.

To meet the challenge to provide the social housing that is needed across the UK, **central and local government need to continue to embrace new ways to tackle the social housing crisis and innovative approaches including modern methods of construction and off-site manufacturing.**

This is a key challenge for procurement within the public sector as frameworks are often inhibitive for innovative new entrants who are unable to demonstrate like-for-like comparisons in the competitive landscape. This results in purchasers often reverting to traditional methods and developers who are yet to have any significant impact.



# Grounds for optimism

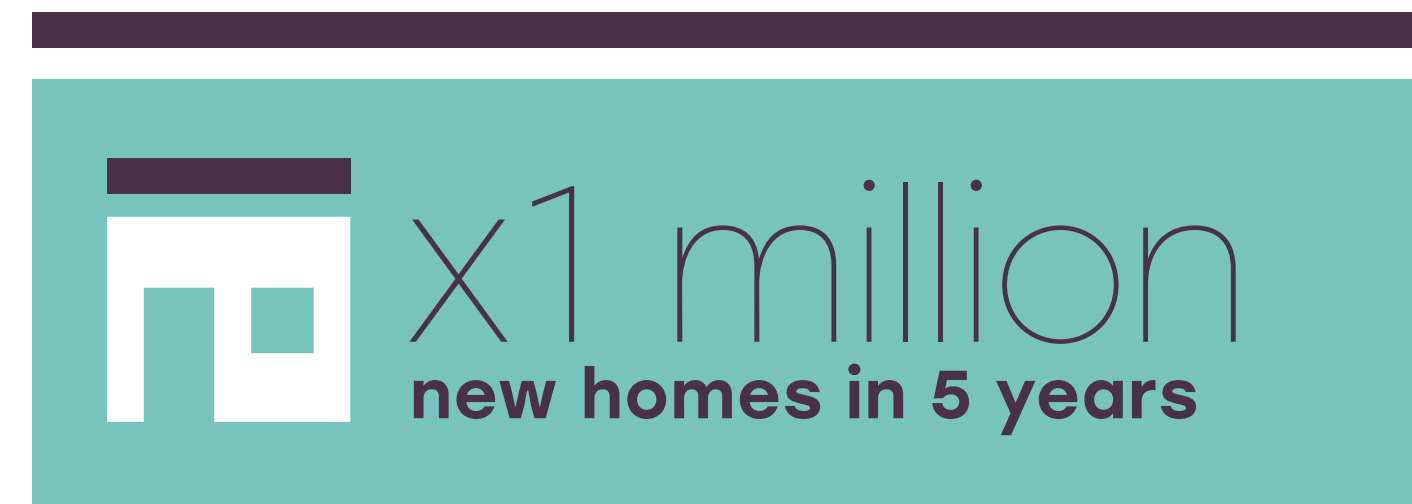
There is, however light at the end of the tunnel.

Launched in January 2018 as the Government's housing accelerator, Homes England is now playing a pivotal role in supporting the development of social and affordable housing across the country. This has included supporting new and innovative approaches, including **off-site manufacturing and the use of brownfield land which will accelerate house building in the UK.** This is clearly a step in the right direction to meet challenge and embrace a new way of thinking.

Modern methods of construction (MMC) will be needed to support the Government's ambition to deliver social and affordable homes across the UK at scale to meet the challenge.

The off-site manufacturing techniques that are adopted provide controlled environments, which reduces time and cost, and minimises disruption to communities. **MMC developments unlock small parcels of brownfield land that traditional developers often find too difficult and expensive to consider.**

This presents a huge opportunity to unlock the real potential brownfield land can deliver.



**x1 million**  
new homes in 5 years

**We support the Government's pledge to deliver a minimum of 1 million homes over the next five years**



# The importance of unlocking the potential of brownfield

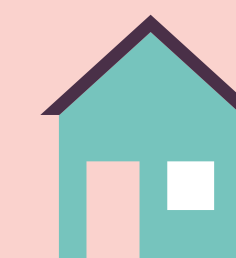
In 1998 the Government announced an ambitious plan to encourage developers to build more than 60% of new homes on brownfield or previously developed land by 2008.

The target was met within eight years and rose consistently to an estimated 80%. While proving to be a successful policy objective in percentage terms, the actual numbers tell a different story. In the 11-year time period from 1998 to 2008, the housing sector delivered 1,627,000 homes, of which 12.5% (203,000) were social housing.

This again fell far short of demand to replenish social housing. In part this was **due to a reliance on private sector developers who naturally focused on those brownfield sites and tenures that delivered maximum returns.** While brownfield land should be considered as part of the overall solution, this does highlight the fact that government and local authorities need to build homes that stay in public sector ownership to deliver the social homes that are needed.



Brownfield land is often linked to existing infrastructure **reducing the need for new infrastructure and associated costs.**



Change of use and development of brownfield land supports regeneration, **removes blight, discourages antisocial behaviour, and positively impacts community.**



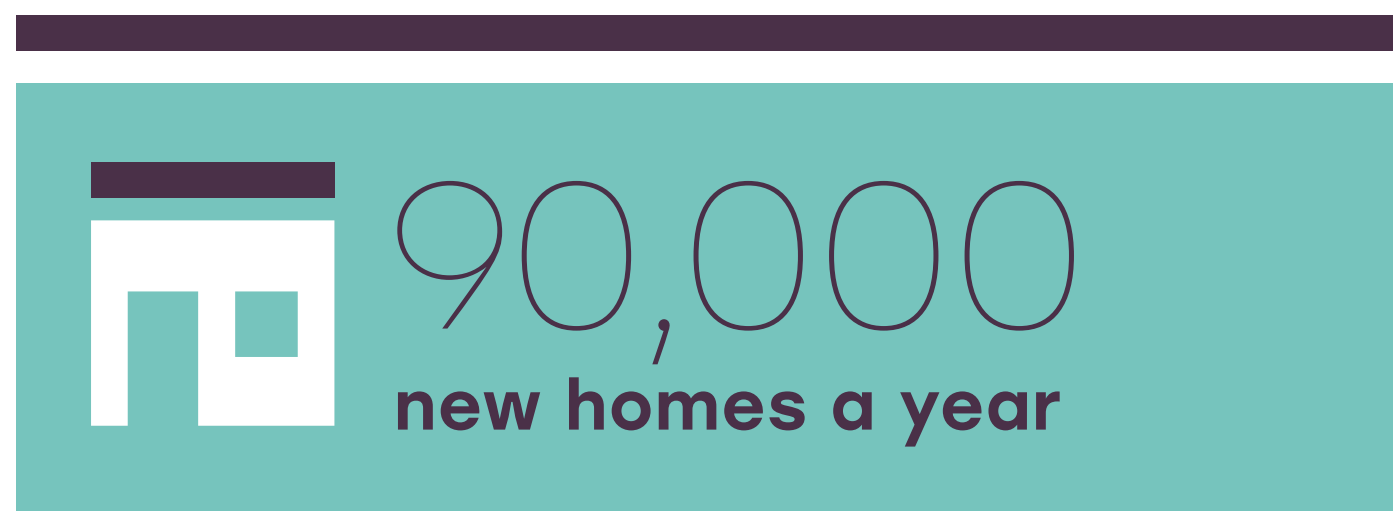
Developing brownfield land within towns and cities as opposed to greenfield land positively impacts the environment by reducing the need for greenfield developments, **improving connectivity and reducing the reliance on cars which are associated with air pollution and congestion.**



# Why local authorities should think brownfield first

We believe that making brownfield land available for social housing will promote inclusivity, diversity, social mobility and deliver health and wellbeing outcomes that benefit the residents and surrounding communities.

- › Developing local authority-owned brownfield land for social housing, where **the authority retains the asset, impacts social housing waiting lists by increasing available housing stock and increases the balance sheet** - improving the gross domestic value (GDV) of the land asset and subsequent rental income.
- › Often located within existing communities where low-to-median income households struggle to find truly affordable homes, **redeveloping brownfield land for social housing provides an opportunity to redress the balance, providing improved access to local amenities,** education, employment, healthcare and opportunity for residents.



An estimated 90,000 new home a year for social/affordable rent

Levels not achieved since 1980

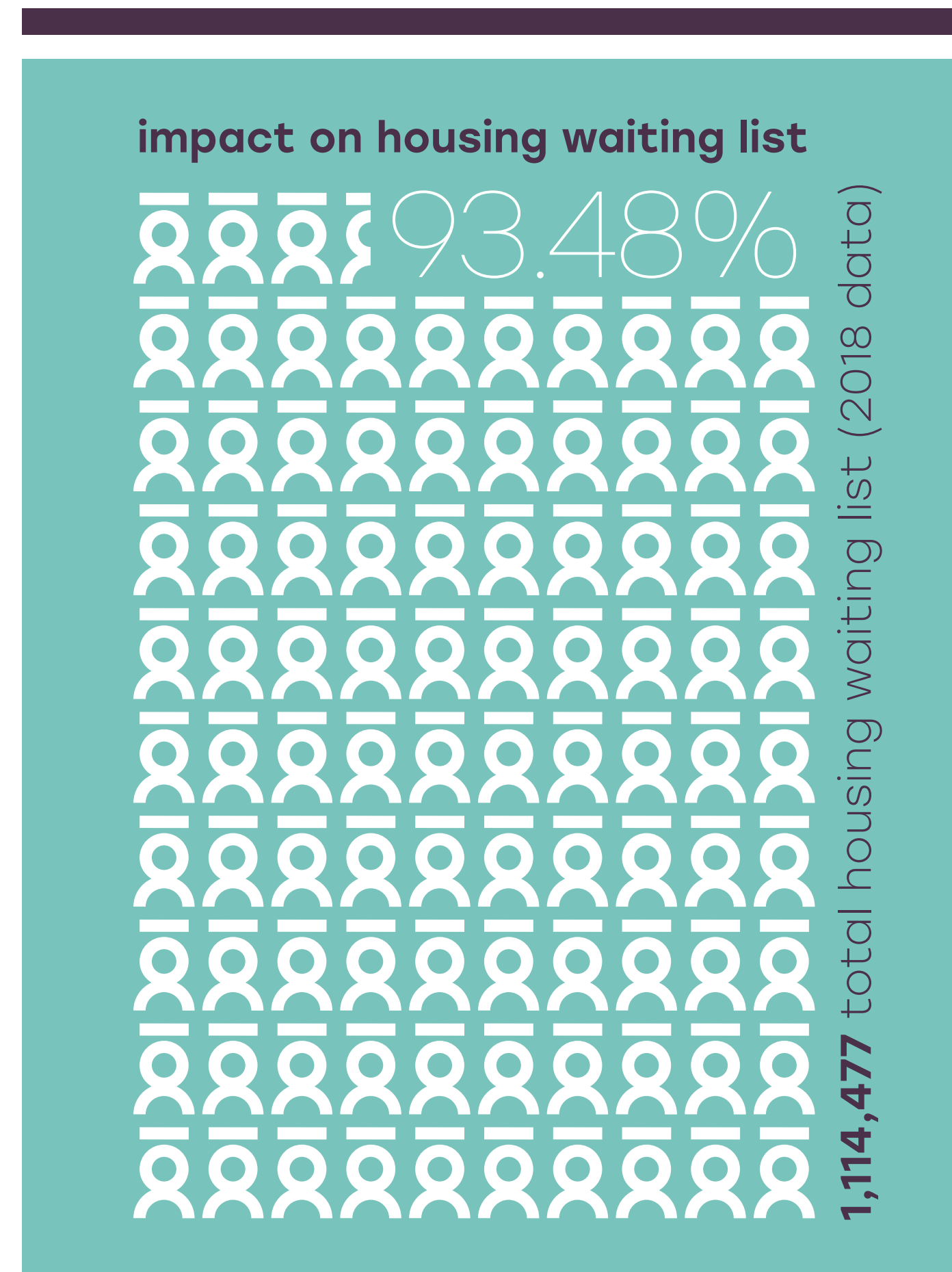
# The scale of the opportunity

It's important to build houses where people want to live.

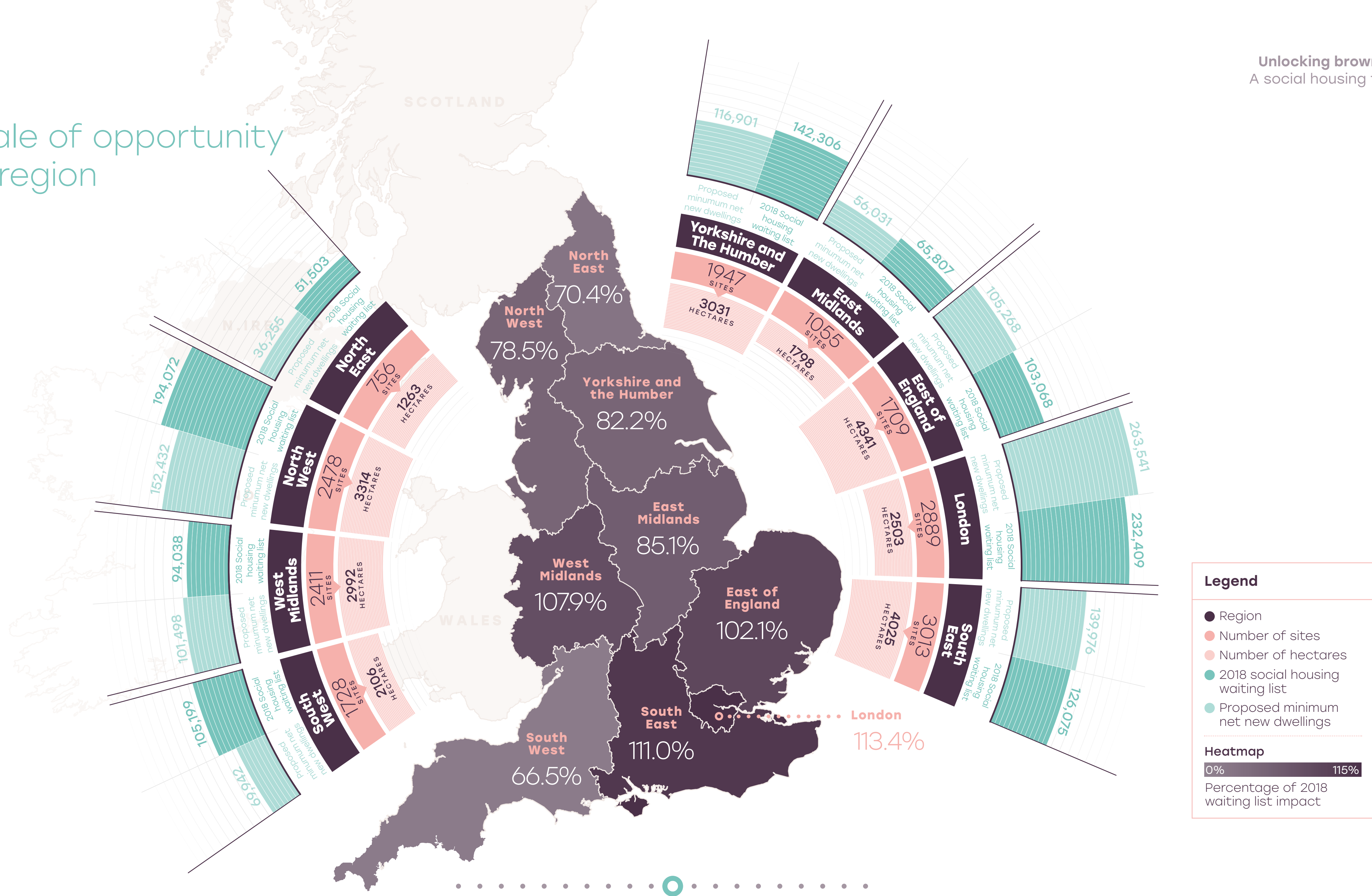
We must caveat much of the national and regional data when considering the geography and location of brownfield land in proximity to localised waiting lists.

However, this provides a graphic illustration of the scale of the opportunity and the potential impact the development of brownfield land could have on social housing waiting lists across the country.

In future reports we will explore different towns, cities and regions in more detail to deliver a clear picture of challenges and opportunities they present.



# Scale of opportunity by region



**Legend**

- Region
- Number of sites
- Number of hectares
- 2018 social housing waiting list
- Proposed minimum net new dwellings

**Heatmap**

0%  115%

Percentage of 2018 waiting list impact

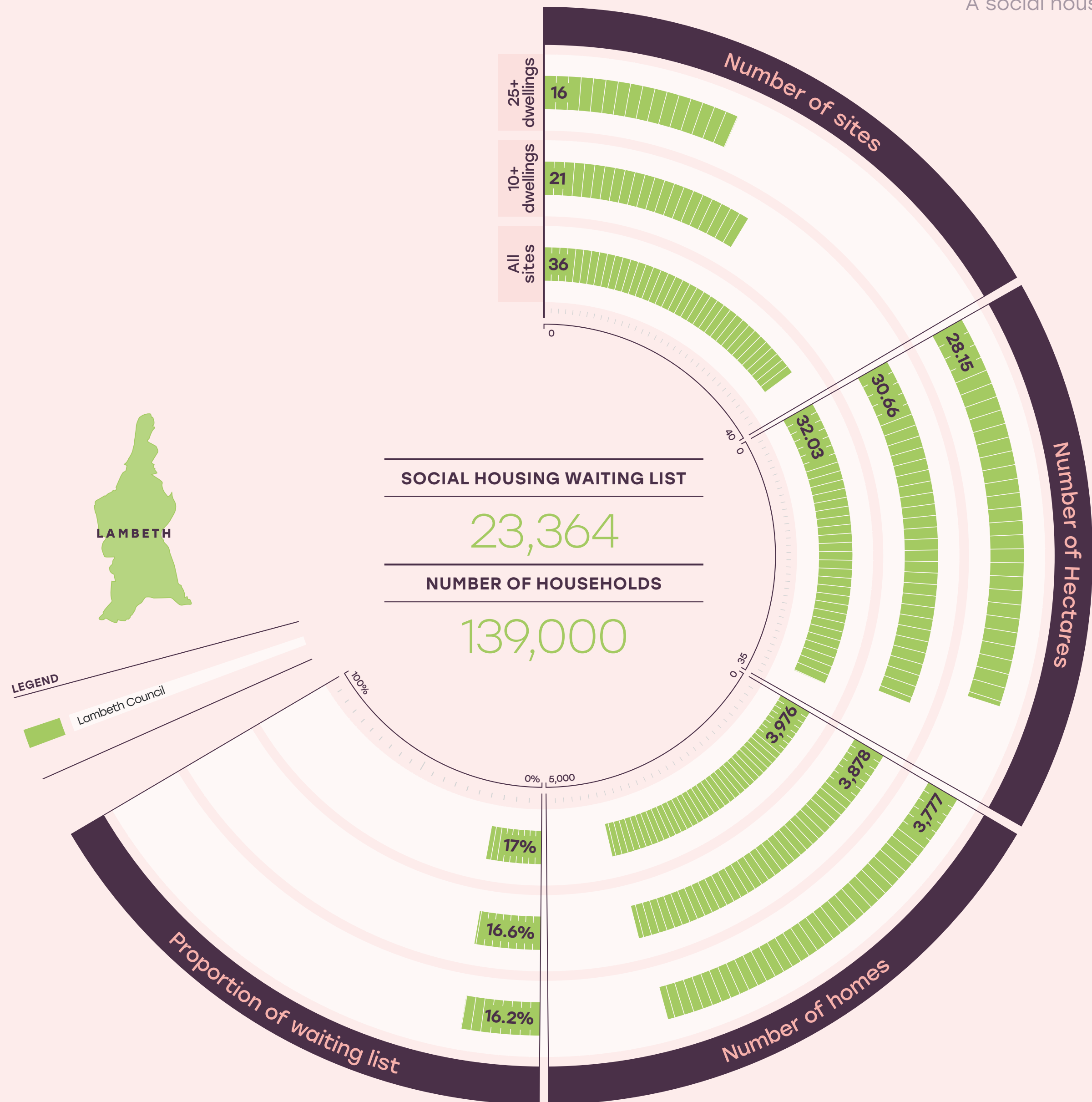
# Case study



# Lambeth Council

In an attempt to prioritise and isolate those brownfield sites which are economically viable and provide access to local amenities, education and opportunity, we have collected data from a number of sources to develop and apply a series of filters:

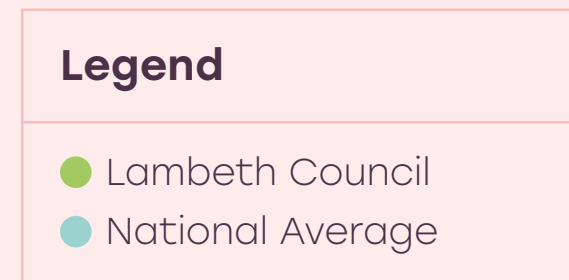
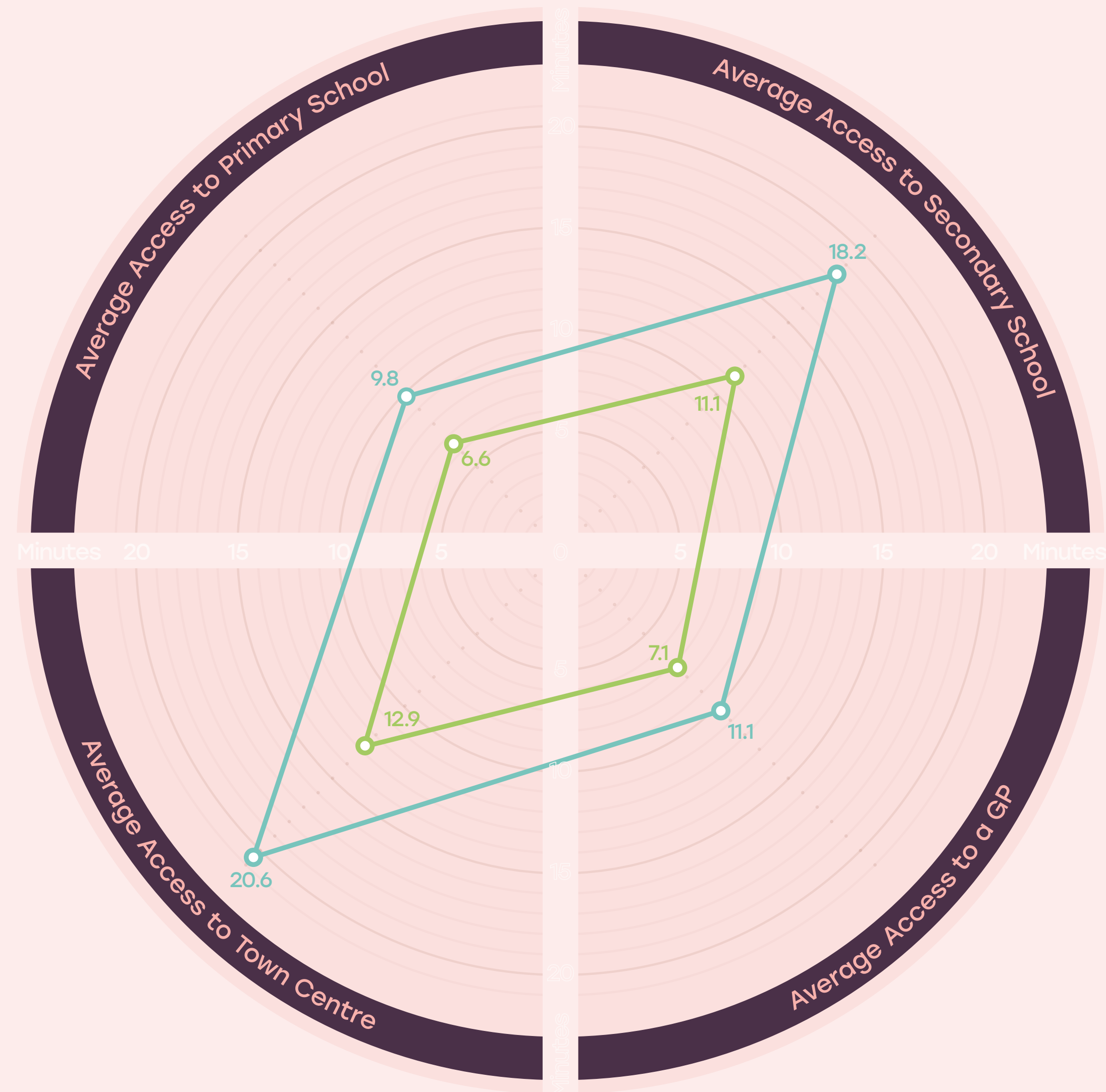
Scale of opportunity to impact Lambeth Council social housing waiting list. This includes sites with capacity to deliver beyond 10 or 25 dwellings which may be deemed economically viable.



## Accessibility of all brownfield sites

Walking or public transport (minutes)

When considering connectivity and access to education, healthcare and economic centres, Lambeth Council brownfield land outperforms the national average. This demonstrates the potential to deliver improved social and economic outcomes and strengthens the case for housing development.



# Lambeth Council

Compared to the wider area of London, which has the capacity to over-deliver, Lambeth is presented with very different challenges. Despite the capacity to deliver 3,976 homes utilising brownfield land, this could potentially impact just 17% of their social housing waiting list. Again the needle moves only slightly to 16.6% capable of 10-plus dwellings and 16.2% capable of 25-plus dwellings.

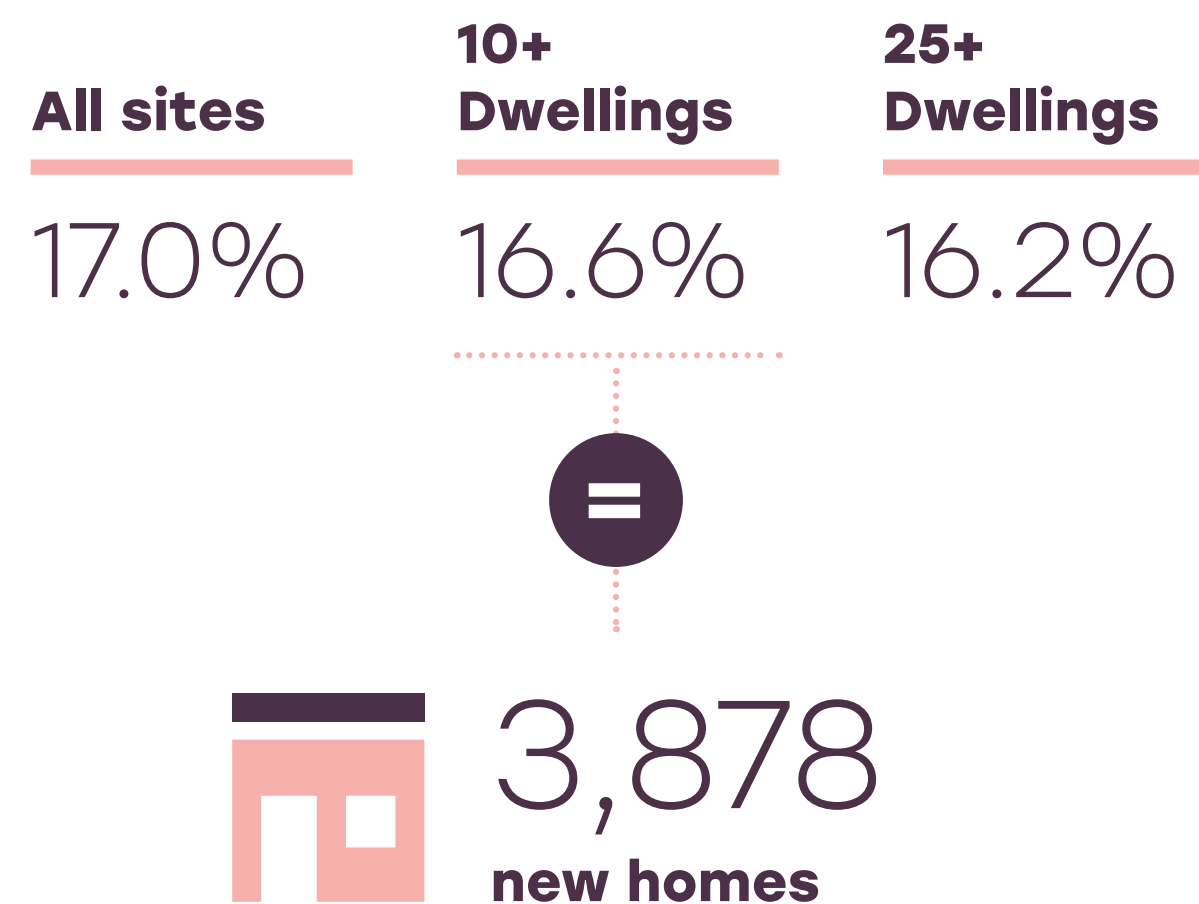
On a 'social homes-first' basis if you consider 10-plus dwellings on average as providing the necessary economic case, **Lambeth has the capability to deliver 3,878 homes.** When matching this against Lambeth targets to deliver 15,980 over the next ten years, brownfield land presents the **opportunity to impact 24.27% of the overall target.** This highlights the importance of a 'social homes first' policy for brownfield site developments to deliver the homes that are needed as a priority with the resource and assets available.

Brownfield land developments must play an important part in Lambeth's housing development strategy, to be applied as part of a package of measures to reduce their social housing waiting list.

We are grateful and proud to be in the process delivering our first pilot scheme in partnership with Lambeth Council.

**The four modern and spacious family homes, which are in close proximity to transport links and local services, will unlock a parcel of brownfield land previously deemed unsuitable for housing.**

## Potential impact on social housing waiting lists



## CURRENT TARGET



15,980

**new homes over the next 10 years**

**brownfield land presents the opportunity to impact 24.27% of the overall target**

## What else does this tell us?

On average, the potential brownfield sites listed by Lambeth Council provide easy access to education, healthcare and economic centres. This reinforces not only the economic value, but also the social value associated with health and wellbeing outcomes.

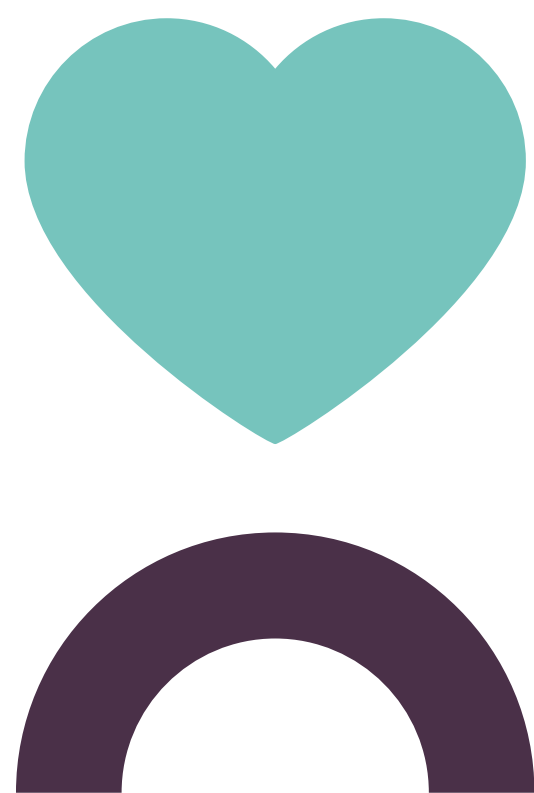
By retaining the developed land for social housing, Lambeth will increase the gross domestic value (GDV) of the sites and subsequent rental income, while improving the lives of individuals, families and the communities they live in.





# What we need to do

To address the under-supply of housing there is no ‘silver bullet’: a variety of incentives and initiatives will be needed to stimulate rapid growth and delivery of social housing.



As highlighted in this report, the development of brownfield land for social housing presents an opportunity to dramatically impact housing at the point of need. As one of the ‘bullets in the chamber’, **brownfield land planned and managed effectively can be developed quickly to deliver a significant impact and return of investment.**

Public sector landowners, government agencies and local authorities will need to play an increasing role in delivering homes and accelerating growth while ensuring the right homes are built in the right places to meet the needs of their communities and residents.

However, in light of difficulties for many local authorities to deliver against their housing targets, **it will be imperative for central government to provide confidence, surety and regulatory frameworks** which encourage public sector landowners and local authorities to be courageous enough to embrace innovation and take radical steps to overcome the housing crisis we now face.



In this white paper we are calling for accelerated growth in social housing and a renewed focus on brownfield land development including:

## What we need to do



Central and local government to build new social homes where they **retain the land and asset to ensure the delivery of social housing** and provide income through an increase in gross domestic value (GDV) and subsequent rental incomes



'Social housing first' policy for the development of brownfield land, **providing truly affordable homes in the places people and families originate, work and want to live**



Urgent prioritisation of brownfield land, supported by existing infrastructure, which **demonstrates clear societal and economic value**



Incentives for local authorities and developers to develop brownfield land with **100% delivery of social housing**



Increased central government funding and assistance to **reduce the cost of land remediation which reduces risk and encourages new entrants**



Adoption of **modern methods of construction including off-site manufacturing techniques** to accelerate the delivery of new homes across the UK and enable the development of brownfield land previously deemed too difficult to develop



**Procurement reform to create innovative and dynamic frameworks** which encourage new entrants and support new and emerging housebuilding solutions which can accelerate the delivery of new homes across the UK



Collaboration across central government, government agencies, local authorities, professional bodies and the housing industry – to **create shared value ambition and goals to meet the social housing challenge** and build better and more sustainable communities

# Appendix

## Research and data sources

- › **National Housing Federation Briefing:**  
Mapping Brownfield Land in England, October 2018  
[http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Mapping\\_Brownfield\\_sites\\_in\\_England\\_-\\_briefing.pdf](http://s3-eu-west-1.amazonaws.com/pub.housing.org.uk/Mapping_Brownfield_sites_in_England_-_briefing.pdf)
- › **National Housing Federation Briefing:**  
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- › **Brownfield Data**  
Lambeth Council Brownfield Land Register.  
Accessed Nov 2019  
<https://www.lambeth.gov.uk/planning-and-building-control/planning-policy/brownfield-land-register>
- › **Lambeth Council Housing Target**  
Draft New London Plan Draft, GLA. Accessed Nov 2019  
<https://www.london.gov.uk/what-we-do/planning/london-plan/new-london-plan/draft-new-london-plan/chapter-4-housing-policy-h1-increasing-housing-supply>
- › **Department for Transport**  
Journey Time Statistics  
<https://www.gov.uk/government/collections/journey-time-statistics>
- › **National Audit Office**  
Planning New Homes Report, February 2019  
<https://www.nao.org.uk/wp-content/uploads/2019/02/Planning-for-new-homes.pdf>
- › **National Housing Federation**  
State Of The Nation Report, September 2019  
<https://www.housing.org.uk/press/press-releases/1-in-7-people-in-england-directly-hit-by-the-housing-crisis/>
- › **Shelter**  
Building For The Future 'A Vision For Social Housing' Report, 2019  
[https://england.shelter.org.uk/support\\_us/campaigns/a\\_vision\\_for\\_social\\_housing](https://england.shelter.org.uk/support_us/campaigns/a_vision_for_social_housing)
- › **MHCLG**  
Housing waiting list from MHCLG. Accessed Nov 2019  
<https://www.gov.uk/government/statistical-data-sets/live-tables-on-rents-lettings-and-tenancies>
- › **Office for National Statistics**  
Estimated Household Size from Office for National Statistics  
<https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families>
- › **Census 2011**  
Housing waiting list from MHCLG  
<https://bit.ly/3a7KDyM>
- › **Joseph Rowntree Foundation**  
Brownfield Residential Development In England (June 2010)  
<https://www.jrf.org.uk/sites/default/files/jrf/migrated/files/brownfield-residential-redevelopment-full.pdf>





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