

DRAFT

**SHEFFIELD CITY COUNCIL (FOX VALLEY)
COMPULSORY PURCHASE ORDER 2015**

-

**STATEMENT OF REASONS
OF THE ACQUIRING AUTHORITY**

**Squire Patton Boggs (UK) LLP
2 Park Lane
Leeds
LS3 1ES**

July 2015

SHEFFIELD CITY COUNCIL (FOX VALLEY)

COMPULSORY PURCHASE ORDER 2015

STATEMENT OF REASONS

1 Introduction

- 1.1 This document is the Statement of Reasons of Sheffield City Council for making a Compulsory Purchase Order entitled The Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015.
- 1.2 In this Statement of Reasons, Sheffield City Council is referred to as the “Acquiring Authority”, the Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015 is referred to as “the Order” and the land included within the Order is referred to as the “Order Land”.
- 1.3 The Acquiring Authority is the local authority, local planning authority and local highway authority for the area within which the Order Land is situated.
- 1.4 On **DATE** the Acquiring Authority made The Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015. The Order was made pursuant to the Council’s Cabinet resolution on **DATE**.
- 1.5 The Order was made pursuant to Section 226(1)(a) of the Town and Country Planning Act 1990 in respect of the acquisition of the land and these comprise the Acquiring Authority’s compulsory purchase powers.
- 1.6 Planning permissions have been granted for a mixed use scheme on redundant steelworks land principally for retail, office, leisure and associated infrastructure and car parking (“Planning Permission 1, Planning Permission 2, and Planning Permission 3”). Planning permission has also been granted on redundant steelworks land for residential development (“the Residential Development”). Planning Permission 3 relates to development which is referred to in this Statement of Reasons as “the Scheme”. Full details of the planning permissions and the Residential Development are set out in Section 6 of this statement.

- 1.7 The Scheme has been promoted by Stocksbridge Regeneration Company Limited (SRC) (the “Developer”) a company now owned entirely by Dransfield Properties Limited who are currently engaged in the regeneration of areas over and around the Order Land.

Please note that SRCL is now a wholly owned company of Dransfield Properties Ltd and JJ Gallager Ltd no longer have any shareholding in the company.

- 1.8 The Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012 was confirmed on an unopposed basis by the Secretary of State for Communities and Local Government on 22 April 2013 to secure the necessary land, rights and property interests required to implement Planning Permission 1, Planning Permission 2 and the Residential Development. That Order was duly implemented by the Council who acquired all outstanding interests and transferred them to SRC in accordance with an agreement between the parties to secure the development of the site.

- 1.9 SRC subsequently (17 January 2014) granted Tesco Stores Ltd (“Tesco”) a 200 year lease on part of the land addressed by Planning Permission 1 and Planning Permission 2. The lease did not require Tesco to build the permitted food store, although at the time that was clearly Tesco’s commercial objective in entering into the lease (for which it paid a substantial premium).

The agreement with Tesco was pivotal as it brought the country’s most successful food retailer to the site in a full range store and thus provided the essential anchor tenant that would provide the guaranteed footfall around which the remaining retailer units would secure their trade. On 8 January 2015 Tesco announced that after a strategic property review it had decided not to proceed with some 49 new store projects across the UK. One of those projects was the food store at Stocksbridge.

The withdrawal of Tesco significantly affected the viability of the Scheme and its attractiveness to other retailers and shoppers. This therefore put in jeopardy the aim of the Scheme which was to secure a comprehensive and vibrant town centre development , employing a significant number of people and creating a retail attraction in the centre of Stocksbridge.

- 1.10 Planning Permission 3 (“the Scheme”) was secured by SRC as an alternative to develop the land no longer to be addressed by the Tesco store and enable the completion of the regeneration commenced via works under Planning Permission 1, Planning Permission 2 and the Residential Development.
- 1.11 The Acquiring Authority considers that there is a compelling case in the public interest for the making of the Order to secure the outstanding interests required (the “Order Land”) for the purposes of implementing the Scheme, which will help deliver comprehensive regeneration of Stocksbridge.
- 1.12 The Order Land is more fully described in section 2 of this statement. The interests comprising the Order Land are identified and described in the schedule to the Order (the “Order Schedule”), which refers to the map accompanying the Order (the “Order Map”).
- 1.13 This Statement of Reasons is not a statement for the purposes of Rule 7 of the Compulsory Purchase (Inquiries Procedure) Rules 2007.

2 Description of Order Land

- 2.1 The Order Map is attached at Appendix 1 and a plan showing the development proposals is attached at Appendix 2.
- 2.2 The land required within the Order Land is shown coloured pink on the Order Map
- 2.3 The Order Land comprises approximately 1.95 hectares and is located at Stocksbridge, a town which lies to the north-west of Sheffield within the area of the Acquiring Authority. It is located to the north of the B6088

Manchester Road. It is broadly rectangular in shape, with the long side of the rectangle oriented broadly east – west.

2.4 The south western corner of the Order Land is located a short distance to the north east of number 412 Manchester Road, on the opposite (northern) side of the railway serving the retained operational steelworks. The Order Land extends eastwards broadly parallel with the railway. The Order Land extends northwards towards, but not as far as, the service road linking the steelworks with the A616 (T), a main road connecting Manchester and Sheffield and the M1 and which here forms the Stocksbridge Bypass.

2.5 The Order Land was formerly part of the steelworks. Alongside land to the east and west it has been cleared, remediated and re-profiled in readiness for further development. This area as a whole was until recently mainly vacant, underutilised, contaminated in parts, in an untidy condition, and in urgent need of regeneration. Development of land to the west for office and retail led uses to address this need is well under way.

3 Statutory Functions of the Acquiring Authority – Use of the Enabling Powers

3.1 The Acquiring Authority is seeking to secure the regeneration of the Order Land by facilitating its development by the Developer. The Scheme will deliver a major retail, leisure and healthcare facility. The Scheme will be to the clear benefit of the area both in terms of the contribution to physical regeneration that will take place and in terms of the uses that will then be accommodated, as set out more fully in Section 7 below.

3.2 The compulsory purchase powers conferred on the Acquiring Authority by Section 226(1)(a) of the Town and Country Planning Act 1990 can only be exercised (following confirmation by the Secretary of State) by virtue of Section 226(1A) where an Acquiring Authority considers that the acquisition of the land will facilitate the carrying out of development, redevelopment, or improvement on or in relation to that land, provided that it considers that the development, redevelopment or improvement is likely to contribute to the

achievement or the promotion or improvement of the economic, social or environmental well being of the Acquiring Authority's area. The Acquiring Authority believes that the acquisition of the Order Land will facilitate the development of the Scheme and that the resultant development will lead to an improvement in the economic, social and environmental well being of the area. The Acquiring Authority is utilising its powers under Section 226(1)(a) of the Town and Country Planning Act 1990 because, despite a lengthy process of negotiation, it has not so far been possible for the Developer to acquire all interests in the Order Land by agreement. The public benefits that would be secured by the regeneration of the Order Land would be lost if the site cannot be assembled. Notwithstanding the making of the Order efforts to acquire the Order Land by agreement will continue in parallel with the compulsory purchase process.

- 3.3 The purposes in seeking to acquire the Order Land and utilise the Acquiring Authority's compulsory purchase powers are set out in detail in Section 7 below.

4 Development Scheme

- 4.1 It is intended that the compulsory acquisition of the Order Land will facilitate the Scheme, being the comprehensive redevelopment of the Order Land.
- 4.2 The Scheme will enable the provision of a mixed use development comprising retail, leisure, and healthcare with associated infrastructure and car parking. It will complete the substantial strengthening and extension of the centre of Stocksbridge currently underway through implementation of development allowed under other permissions. It will fill and make productive use of the gap left by Tesco's abandonment of Stocksbridge, and provide a developed edge to the residential development being brought forward on land to the east.
- 4.3 The Order Land is currently vacant. There will be no job losses arising from the promotion of the Order, and no relocations will be required. Based on average employment density figures it is estimated that the Scheme will

provide at least 150 permanent jobs on site with additional jobs created through the construction and servicing of the Scheme.

4.4 The Scheme in detail comprises a single block (“Block C”). As amended (see Section 6, below) it is made up of six units:

- Unit C1 – retail unit extending to 1,740 sq m GIA. This unit is pre-let and will be occupied by deep discount supermarket retailer Aldi.
- Unit C2 – retail unit extending to 648 sq m GIA. It is anticipated that this unit will be occupied by a further specialist supermarket operator, or non food retailer.
- Unit C3 – retail or leisure unit extending to 1,858 sq m GIA. It is anticipated that this unit will be occupied either by a leisure operator, or for retail.
- Unit C4 – small unit extending to 139 sq m GIA.
- Unit C5 – pharmacy unit extending to 186 sq m GIA.
- Unit C6 – medical centre extending to 1,208 sq m GIA over two floors. It will include a link through to Unit C5. It is anticipated that it will accommodate the relocated practice currently operating on Johnson Street in Stocksbridge.

4.5 Staff car parking will be provided to the rear of Block C (totalling 62 spaces in two groups of 30 and 32 spaces).

4.6 The Scheme will use the same servicing arrangements as were approved for the original (Tesco) proposal, i.e. with deliveries via the new link road which also serves the main permitted retail and office led development and the Residential Development.

4.7 The Scheme will use the same customer / visitor access, and almost the same parking arrangements, as approved and currently being implemented in accordance with Planning Permission 2. A new roundabout is provided

on Hunshelf Road from which access to the main car park is achieved. This link and the area of car parking immediately to the west of Block C (389 spaces) is included in the Scheme, allowing for some modest rearrangement of this area of car parking compared with that anticipated by Planning Permission 2.

5 Planning Policy

5.1 The Development Plan

5.1.1 The current development plan comprises saved policies from the Sheffield Unitary Development Plan (the “UDP” adopted 1998) and the Sheffield Development Framework Core Strategy (the “Core Strategy” adopted 2009).

5.1.2 The UDP identifies the Order Land as part of a wider General Industrial Area (with special industries) which covers almost all of the land addressed by or related to the retained and former steelworks, north of Manchester Road and the railway line. The retained policies of the UDP include Policy IB5 relating to development in General Industrial Areas. Policy IB5 states that within General Industrial Areas, offices, small shops, food and drink outlets, community facilities and leisure facilities are acceptable uses in principle.

5.1.3 Policy IB5 also states that shops (other than small shops) are unacceptable unless at the edge of a district shopping centre. Policy IB9 goes on to set out conditions for development in industry and business areas, relating for example to the balance of uses, amenity, design and accessibility.

5.1.4 An area of land north and south of Manchester Road, and east and west of its junction with Hunshelf Road, forms the defined Stocksbridge District Shopping Centre. The Scheme and the retail and office led development currently being implemented are located on the edge of the District Shopping Centre with pedestrian links to it.

- 5.1.5 Policy S4 promotes retail development in District Shopping Centres, and for food retail development sites at the edge of such centres where no in centre sites are available. Policy S5 includes impact and access criteria for edge of centre development.
- 5.1.6 The UDP (Policy BE18) also identifies part of the General Industrial Area (with special industries) beyond (to the west of) the Order Land alongside Hunshelf Road as being within the Hunshelf Area of Special Character. Development there should respect that character. Land beyond (to the north of) the Order Land, outside the General Industrial Area (with special industries) falls within the Green Belt and includes a wedge of an Open Space Area; policies GE1 to GE4 of the UDP seek to protect the openness and character of the Green Belt, whilst policy LR5 of the UDP seeks to ensure that development in Open Space Areas does not harm environmental and historic features of importance. In the committee report that led to the resolution to grant planning permission for the Residential Development the Local Planning Authority concluded that this aspect of the development would not harm the openness and character of the Green Belt nor any environmental or historic features of importance within the Open Space area, and as such that proposal complied with policies GE1 to GE4 and LR5 of the UDP.
- 5.1.7 Core Strategy Policy CS34 lists Stocksbridge as one of Sheffield's District Centres. Policy CS3 identifies district centres on high frequency public transport routes as suitable for small-scale office use. Policy CS5 identifies Stocksbridge / Deepcar as a location for manufacturing, distribution / warehousing and non-office businesses. Policy CS14 related to city-wide distribution of shopping and leisure development states that major non-food retail development will not occur outside locations which include District Centres and their edges.
- 5.1.8 Core Strategy Policy CS23 seeks to concentrate new housing development where it would support urban regeneration and make efficient use of land and infrastructure, focusing on suitable and sustainably located sites within or adjoining locations including the urban area of Stocksbridge / Deepcar.

Policy CS24 prioritises the use of previously developed sites for new housing development. Policy CS33 supports the reuse of surplus industrial land in Stocksbridge for business use, the re-use of previously developed land there within the urban area for housing, and the improvement and expansion of the District Centre.

5.1.9 Whilst not forming part of the development plan, the need to regenerate redundant and surplus steelworks land whilst securing the future of operational industrial land was also recognised by the Corus Works Development Brief, as approved by the Acquiring Authority on 24th March 2005; these principles were developed in Core Strategy Policy CS33. It is regarded by the Acquiring Authority as a material consideration for the determination of planning applications. However, this document principally addressed areas beyond the Order Land.

5.2 Emerging Local Policy

5.2.1 The Draft City Policies and Sites document (then a proposed Development Plan Document) was approved by Cabinet for consultation in May 2010 and published for consultation between June and July 2010. It set out development management policies, and spatially identified Policy Areas and Allocations.

5.2.2 The Order Land and much of the remaining area addressed by Planning Permission 1 and Planning Permission 2 was identified by the Draft City Policies and Sites document as part of the District Centre Policy Area, and with an allocated required retail use plus other mixed town centre uses (Site P00440). The stated reasons for this allocation included:

“Core Strategy policy CS33 aims to improve the environment of the existing district centre whilst enabling its improved offer through expansion as opportunities arise.

There is an identified qualitative need to improve the District Centre’s offer as the centre has been losing a significant amount of its trade.”

- 5.2.3 Representations on behalf of the Developer were made during the consultation period. These were generally supportive of this allocation in principle, but sought to ensure some greater flexibility.
- 5.2.4 In time, the City Policies and Sites document was intended to replace the saved policies from the UDP. It progressed, and consultation on the "Pre-Submission" version of the document took place between June and September 2013. This retained a retail, town centre use, and community use allocation for land including the Order Land.
- 5.2.5 However, the Council subsequently decided not to proceed with the submission of this document for public examination. This decision (in December 2013) reflected the view that there appeared to be little prospect of the City Policies and Sites document and Proposals Map being found sound. At that point the Council acknowledged that it was not possible to demonstrate a 5 year supply of deliverable housing sites, and no Gypsy and Traveller Sites had been allocated. These factors meant that the draft plan conflicted with national planning policies. There was no suggestion that any difficulties with retail and town centre use allocations contributed to the termination of the process.
- 5.2.6 Instead, the Council will incorporate the City Policies and Sites document and Proposals Map into a new Local Plan. This process is currently in its very early stages. A "Call for Sites" was issued in the summer of 2014, and responded to by the Developer in seeking to have a wider area of land identified for housing on land to the east of the current application site. Sheffield's current Local Development Scheme approved in November 2014 sets out the timetable for the production of the new Local Plan. It currently states that the new Local Plan's production process will start with an Issues and Options consultation in September to November 2015 as its initial milestone, culminating in the new Local Plan's adoption in June 2018.
- 5.2.7 Much of the area addressed by the Residential Development was identified by the Draft City Policies and Sites document as a Flexible Use Policy Area, and with a Flexible Use Allocation without a required use (Site

P00290). Representations on behalf of the Developer were made during the consultation period. These were generally supportive of this allocation in principle, but sought to correct and clarify certain aspects of the allocation and also to achieve greater certainty in terms of the prospects of the site specifically for residential use. In the “Pre Submission” document this was changed to a housing allocation.

5.3 National Policy

5.3.1 At the national level, the NPPF is framed as a positive and enabling document, seeking to facilitate sustainable development and growth. There is a clear and firm commitment to supporting and securing sustainable economic growth. Applications for sustainable development should be approved wherever possible, consistent with an overarching approach that demands a “presumption in favour” of sustainable development (paragraph 14). It advocates a proactive, creative and solution seeking approach to planning.

5.3.2 Themes familiar from some of the policy documents replaced by the NPPF are reframed and reinforced as the core principles underpinning the new document (paragraph 17). These include, inter alia, an emphasis on high quality design, carbon reduction, conserving and enhancing the natural environment, reusing brownfield land, promoting accessible mixed use development and sustainable transport, seeking to improve wellbeing, and encouraging the delivery of facilities and services to meet local needs.

5.3.3 Again carrying forward themes evident in replaced policy there remains an emphasis on positive planning for the promotion of competitive, expanding, healthy town centres at the heart of communities, encouraging choice and diversity.

5.3.4 The NPPF seeks to boost significantly the supply of housing. It supports the delivery of a wide choice of high quality homes, widening opportunities for home ownership, and creating sustainable, inclusive and mixed communities.

- 5.4 Circular 06/2004 – Compulsory Purchase and the Crichel Down Rules
- 5.4.1 This Circular provides advice to Acquiring Authorities on promoting Compulsory Purchase Orders, and the issues which need to be addressed, and the factors which will be taken into account by the Secretary of State in deciding whether or not to confirm a Compulsory Purchase Order
- 5.4.2 The key test which is applied by the Secretary of State is whether or not there is a compelling case in the public interest for the Order to be confirmed. Specific advice is provided for local planning authorities wishing to exercise their powers under section 226(1)(a) of the Town & Country Planning Act 1990, and set out in Appendix A.
- 5.4.3 The Circular advises that the powers in the Act are intended to provide a positive tool to help Acquiring Authorities with planning powers to assemble land where this is necessary to implement the proposals in their Community Strategies and the Local Development Document. The Circular draws attention to the well-being power and the requirements of section 226(1A) which provides that the Acquiring Authority must not exercise its power of Compulsory Purchase unless they think the proposed development, re-development or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the Acquiring Authority has administrative responsibility. In this respect, Acquiring Authorities are reminded that the government's purpose in introducing the well-being power is to encourage innovation and closer joint working between local authorities and their partners to improve the quality of life of those living working or otherwise involved in the community life of their area.
- 5.4.4 The Circular draws attention to guidance in Planning Policy Statement 1 (as was) which may include policies relating to issues for promoting regeneration initiatives and improving local environmental quality. The Circular recognises that such issues can have a significant impact on land use but may not necessarily be capable of being delivered solely or mainly through the granting or refusal of planning permission, and they may

require a more proactive approach by the local planning authority including facilitating the assembly of suitable sites for which the powers under the Town & Country Planning Act 1990 may be appropriate.

5.4.5 Paragraph 16 of Appendix A to the Circular sets out the factors which the Secretary of State will take into account in deciding whether or not to confirm a Compulsory Purchase Order namely:

1. Whether the purpose for which the land is being acquired fits in with the adopted planning framework for the area or, where no such up to date framework exists, with the core strategy....

As indicated above, the purpose of the Compulsory Purchase Order is to support the implementation of objectives of the Council's Core Strategy for the Order Land.

2. The extent to which the proposed purpose will contribute to the achievement of the proportion or the improvement of the economic social or environmental well-being of the area.

The benefits of the Scheme for the area in social, economic and environmental terms are set out more fully in section 7 of the Statement.

3. Potential financial viability of the scheme for which the land is being acquired, for example having regard to any general indication of funding intentions, and of any commitments from third parties, as well as aspects of timing.

Section 9 of this Statement deals with delivery of the Scheme and funding.

4. Whether the purpose for which the Acquiring Authority is proposing to acquire the land could be achieved by any other means.

The purpose which underpins the acquisition could not be achieved without the Order, as explained below.

5.4.6 The purpose of the Order, which is to secure the regeneration of the Order Land, and which in turn will support the comprehensive regeneration of the wider redundant steelworks land, can clearly only be achieved at this location. It is not possible to deliver comprehensive regeneration other than by a site assembly programme which incorporates the whole of the Order Land. There are no alternative proposals with the access to funding, the expertise of the Developer, the delivery of retailers to secure regeneration on this site and with the benefit of planning permission. In any event, given the ownership position any alternative proposals would also be likely to require the use of compulsory purchase powers to achieve land assembly.

6 Statement of Planning Position

6.1 Planning Permissions

6.2 On 22 July 2009, the Acquiring Authority granted full planning permission (reference 08/02703/FUL) for the redevelopment of the Order Land and adjoining land to the east, west and north.

6.3 This provided for the regeneration of the Order Land and surrounding area with a mixed use development including retail, offices, health centre and leisure activities. The description of the development permitted was, “mixed use development including retail (Use Class A1), food and drink (Use Class A3), leisure (Use Class D2), offices (Use Class B1), Health Centre (Use Class D1) and associated highway works, ground works, car parking accommodation, public open space and landscaping works”. The Order Land was identified by this permission for retail (including a food superstore) and car parking.

6.4 A further application, reference 09/02819/FUL, submitted under Section 73 of the Town and Country Planning Act 1990, was refused by the Acquiring Authority in a notice dated 2 December 2009. This refused application sought to allow the carrying out of the development without complying with

Condition Number 2 attached to it, which prevented the use of any part of the development as a pharmacy or post office.

6.5 An appeal was submitted against this decision. In a decision dated 13 April 2010 the appeal was allowed (“Planning Permission 1”). As a result of the appeal, the original planning permission was in effect superseded by the new planning permission approved under the Section 73 application. The pre-commencement conditions of Planning Permission 1 (Ref09/02819/FUL) have been addressed and a start made on site within the required timeframe.

6.6 A further planning permission (Ref 11/02480/FUL, “Planning Permission 2”) relating to principally the same site was granted by the Acquiring Authority in a decision dated 16 November 2011. This complemented the Section 73 planning permission granted on appeal but incorporated some changes to particular elements of the development to reflect a number of refinements and improvements. The description of development permitted in Planning Permission 2 was:

“demolition and site clearance, alteration to Blocks B and D as approved under application reference 09/02819/FUL, alterations to the layout of the car park and access arrangements as approved under application reference 09/02819/FUL, new retail and services premises (Use Classes A1/A2/A3/A4/A5), new office premises (Use Class B1), with associated access and other works”.

6.7 The effect of Planning Permission 2 was to allow part of the development (principally the main foodstore) to continue to be delivered under Planning Permission 1, whilst also allowing the delivery of the remainder of the development in the amended form of the revisions referred to above. The form of Planning Permission 2 required the development to proceed with the implementation of the foodstore permitted under Planning Permission 1. The two planning permissions were to be implemented and built out together, with the provision of the foodstore in the first phase of the floorspace to be provided. The pre-commencement conditions of Planning

Permission 2 (Ref 11/02480/FUL) have been addressed and a start made on site within the required timeframe.

6.8 On 12 October 2012 the Council granted full planning permission (11/00384/FUL) for the redevelopment of land to the east and north of the Order Land (“the Residential Development”) subject to a S106 planning obligation. The area addressed by this development includes former steelworks land extending down the valley to the east of the Order Land, and the steelworks link road plus a section of the bypass to the north of the Order Land.

6.9 The Residential Development provides for the regeneration of this site with a scheme incorporating open space and access improvements. It integrates fully with the permitted retail and office led development immediately to the west and described above (Planning Permissions 1 and 2). Together these three elements (i.e. Planning Permissions 1 and 2 and the Residential Development) anticipated the comprehensive regeneration of the area as a whole and comprised the Original Scheme underlying the confirmed Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012.

6.10 The description of the Residential Development was:

“Residential development and provision of means of access and associated landscaping (Outline application) and formation of link road and engineering works (Full application) (as amended)”

6.11 The effect of this was to allow the formation of the link road between the site and Stocksbridge Bypass, as well as remodelling to prepare the site for development. The Residential Development also established, on an outline basis, the principle of residential development on this land. The remodelling is being undertaken in conjunction with the development authorised by Planning Permissions 1 and 2, maximising the efficiencies of earth moving operations and minimising the quantities of both imported and exported fill material.

- 6.12 The access works are also being undertaken at this stage allowing the site to be serviced; indeed the roundabout junction with the bypass is now complete. A further important benefit of this approach is that the opening of the link road will enhance the commerciality of the development allowed under Planning Permissions 1 and 2, whilst immediate traffic relief and improved accessibility will be provided to Stocksbridge.
- 6.13 In a decision dated 20 February 2015 under reference 14/02318/REM reserved matters were approved for 114 dwellings on the Residential Development site. These dwellings are to be developed by specialist housebuilder Stonebridge Homes.
- 6.14 On 8 January 2015 Tesco announced that after a strategic property review it had decided not to proceed with some 49 new store projects across the UK. One of those projects was the food store at Stocksbridge being delivered under Planning Permission 1.
- 6.15 In response to this the Developer submitted a further planning application for the development described above (Section 4) as the current Scheme. In a decision dated 2 June 2015 under reference 15/00904/FUL planning permission (“Planning Permission 3”) was granted for the Scheme. Save for one condition relating to confirmation of the approach to ground contamination there are no “pre commencement” conditions attached to this permission and it is readily implementable in planning terms. In a decision dated 22 June 2015 under reference 15/02129/NMA minor (non-material) amendments to the Scheme were permitted.
- 6.16 A further application is to be submitted by the Developer under Section 73 of the Town and Country Planning Act 1990 to amend the wording of conditions attached to Planning Permission 2 to support the continued implementation of development approved by Planning Permission 2 but without the superstore approved by Planning Permission 1. The principle of this approach has been agreed by officers.
- 6.17 Other Planning Permissions

6.18 In addition to the planning permissions as described above which relate to the Order Land and land adjacent, further planning permissions have been granted for related development elsewhere in and around the retained steelworks. A full planning permission was granted on 10 May 2011 (Ref 11/00350/FUL) for development described as:

“erection of a warehouse (site 1) and an industrial test centre and offices and formation of a pedestrian link to Manchester Road (site 2) with associated works including provision of car parking accommodation, means of access, drainage and landscaping (as amended)”

6.19 Conditions attached to this planning permission were subsequently amended via a Section 73 application, granted on 9 November 2012 under reference 12/02926/FUL. The principal effect of this was to support phased delivery of this scheme.

6.20 “Site 1” in the Original Scheme relates to land between the western end of the retained operational steel works and a cleared former steelworks area where Tata previously secured outline planning permission for housing, where a large warehouse facility has now been completed. This is a replacement facility for the relocated outside storage area that is required for the delivery of Planning Permission 2. It provides a larger and substantially improved area for this operation, being covered (rather than open), purpose built, and more conveniently located relative to the production line thereby enhancing efficiency and productivity.

6.21 “Site 2” relates to land at the interface between the eastern end of the retained operational steelworks and the retail and office led scheme permitted under Ref 08/02703/FUL and subsequent permissions. This will include an industrial test centre to consolidate and enhance Tata’s testing facilities. It will represent a significant investment in Tata’s testing, research and development capability, as well as acting as a showcase to customers across a world market.

- 6.22 In a decision dated 24 June 2013 under reference 13/01487/FUL planning permission was granted for works enabling the existing building (known as Block G, previously the steelwork canteen) immediately to the north west of the land addressed by Planning Permission 2 to be brought back into productive use. These works have been completed.
- 6.23 The relationship between these various elements of development is shown on the drawing at Appendix 2. This shows that the Order Land lies at the heart of a very substantial overall project. The Current Scheme should not be understood in isolated terms but rather as an important component part of the wider regeneration of the valley around the retained steelworks.
- 6.24 The Current Scheme therefore has the benefit of planning permission, within the context of further planning permissions in place to secure the regeneration of neighbouring land. Whilst there are some minor issues which remain to be addressed there is no planning impediment to the carrying out of the development.

7 The Acquiring Authority's purpose in seeking to acquire the Order Land

- 7.1 The purpose in seeking to acquire the Order Land must be understood against the background of the benefits of "the Original Scheme" underlying the confirmed Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012.
- 7.2 Context
- 7.3 Planning Permissions 1 and 2 and the Residential Development (together "the Scheme" for the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012) anticipated the comprehensive mixed use regeneration of land east of the retained steelworks. In that case the purpose of seeking to acquire land compulsorily was therefore to facilitate the comprehensive regeneration of this land through mixed use development and the preparation of land for residential development.

- 7.4 Those permissions together addressed an extensive brownfield site very clearly in need of regeneration. It comprised, in the main, a cleared former steelworks. The base of substantial employment that was once provided there has long gone, as have all of the buildings and associated steel making activity; remediation, re-profiling and redevelopment is now well under way. Production there ceased in early 2008 and site clearance was completed in the first half of 2010. What remained was principally an extensive and unsightly area of hard standing, contaminated in parts. The land was a significant wasted resource within the Stocksbridge urban area. Planning Permissions 1 and 2 and the Residential Development sought to address this.
- 7.5 Through time the need to regenerate Stocksbridge has been widely recognised through planning policy at the regional and local levels. The redevelopment of previously developed sites within and on the edge of district centres and within urban areas is also encouraged in general terms by the development plan. More generally, the regeneration of outworn industrial land for new uses is very much in keeping with the current growth agenda in national policy and the focus on sustainable development.
- 7.6 The Residential Development will be highly sustainable because new homes will be provided in close proximity to the existing centre and the new retail / office led development on the adjoining land. It will be possible for new residents to gain access to everyday retail and community facilities and to employment by non-car modes of transport.
- 7.7 This element also brings with it the full opening up of the link road to the bypass, which in turn will alleviate traffic issues in Stocksbridge. The new roundabout junction created on the bypass represents a safety benefit, providing calming on a busy Trunk Road. It introduces lighting to an unlit part of the bypass, reduces traffic speeds, and removes the hazardous existing junction arrangement where articulated vehicles need to cross a fast moving carriage way.

- 7.8 The Residential Development site is in an attractive valley setting but it was unsightly, inaccessible, dominated by concrete, and contaminated. This has been removed and remediated, and will be replaced by an attractive, accessible, carefully designed development. Existing landscaped areas will be managed and new open space introduced. Ecological benefits will arise from habitat enhancement, including in particular along the river corridor. Accessibility will be improved by the enhancement and expansion of Public Rights of Way. The overall benefits in terms of regeneration, use of derelict land, and to the environment, arising from these works will be substantial.
- 7.9 Similar regeneration benefits will be associated with the retail and office led element of the permitted development. In addition, this will bring with it significant job creation. More sustainable and inclusive patterns of shopping and working will be established by enabling local people to meet a wider range of needs close to where they live rather than, as at present, travelling to locations outside Stocksbridge. The vitality and viability of the existing centre will be enhanced through the increased retention of trade and expansion of local spending power as the residential and working populations grow, whilst highways improvements are being implemented to alleviate traffic issues within the town. This element resonates particularly strongly with the positive stance towards encouraging economic development evident in national policy.
- 7.10 These works have also enabled further development to enhance the retained (Tata) steelmaking business. The outside storage and handling activities less efficiently located at the eastern end of the Tata works are moved to the new purpose built and enclosed facility at the western end of the works, in the right place to integrate well with the steelmaking process.
- 7.11 These works also result in the clearance and preparation of a site to accommodate a new test centre for Tata, efficiently consolidating their existing testing operations and acting as a showcase for their business.
- 7.12 The economic, environmental and social regeneration benefits arising individually from these elements are substantial. However, the overall

benefits arising from a comprehensive scheme are greater than the sum of the parts.

- 7.13 The provision of the Residential Development in a phased programme in conjunction with Planning Permissions 1 and 2 (and indeed related permissions) would enable a comprehensive development to take place, addressing the previously developed land east of the retained steelworks as a whole. This would ensure a broad mix of sustainable uses, with the housing supporting new retail and new employment activities and vice versa, and also enable synergies to be achieved between the different strands of development so as to produce a better overall outcome.
- 7.14 This has already applied for example in the case of maximising efficiencies in the re-use of soils and earthworks on site, dealing comprehensively with existing and proposed rights of way, and having an overall vehicular access strategy that makes the most efficient use of the proposed new junction arrangements on the A616. As discussed above, this will enhance the commerciality of the retail / office led development, provide immediate traffic relief and improved accessibility to Stocksbridge, and offer road safety benefits.
- 7.15 The inclusion of the site for the Residential Development and its preparation to accommodate that development, for which reserved matters have now been approved, has been essential to secure a comprehensive development of the area and to avoid leaving a large part of the site without practical access and in a poor condition which would have a negative impact on the adjoining new development.
- 7.16 The works allowed by Planning Permissions 1 and 2 and the Residential Development, enabled by the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012, have provided a real opportunity to secure the regeneration of a large area of land alongside a key district centre and major employer. It is important that this opportunity is realised and maximised.

- 7.17 Purpose
- 7.18 In the present case, i.e. for the Sheffield City Council (Fox Valley) Compulsory Purchase Order 2015, the purpose of seeking to acquire land compulsorily is to facilitate the completion of the comprehensive regeneration of the area through mixed use development. In this way the full range of benefits summarised above anticipated in the confirmation of the Sheffield City Council (Former Steelworks, Stocksbridge) Compulsory Purchase Order 2012 will be realised.
- 7.19 Absent the Current Scheme, a sizeable physical gap – presumably surrounded by hoarding – would remain at the eastern end of the retail and office development currently being implemented. This would diminish significantly the physical regeneration benefits and improvement to the character and appearance of the place that would otherwise be delivered, exist as an unsightly and vacant space between the rest of the retail and office led development to the west, and residential development to the east, and represent a wasted resource in terms of the contribution this land could make to providing enhanced services and facilities for local people.
- 7.20 Very significant resources have been invested in the pursuit and implementation of an extensive programme of regeneration for redundant land covering a large area along the valley to the west and east of the retained steelworks, as illustrated in the plan at Appendix 2. This would be left incomplete if the Order Land is left undeveloped.
- 7.21 It would also constrain the success of the rest of the retail and office development to the west of the Order Land. The appeal and trading environment of this would be undermined if placed alongside a vacant hoarded plot, rather than bookended by attractive built development contributing to the overall attraction of the place. There would be commensurate harm to the contribution of the overall development to the health of the existing centre, promotion of sustainable shopping patterns, and provision of a wider range of facilities for local people.

- 7.22 In addition to its importance for the rest of the regeneration programme around the steelworks, the Scheme will also deliver benefits in its own right. It will include a supermarket (to be operated by Aldi), enhancing the choice of food shopping within Stocksbridge. It will provide further accommodation for retail and leisure uses, again broadening the range of facilities available to local people. Together this will promote sustainability and inclusion by encouraging more residents to meet their needs within the town rather than travelling to competing destinations elsewhere. Spin off benefits to existing businesses on the high street can also be expected.
- 7.23 The healthcare element will provide a building consistent with meeting current needs in a primary care led NHS. It will enable the relocation of the existing practice currently operating on Johnson Street in Stocksbridge, allowing it to expand and provide greater access to a wider range of functions and services in a local setting. It will be supported by an adjacent pharmacy, so that patients can meet all of their needs on a single trip.
- 7.24 The loss of Tesco from the development means that the food anchor store which would have generated shopping trips in high numbers and on a daily basis will no longer be provided. The Tesco store was to be important in generating footfall and hence supporting the appeal and commerciality of the centre as a whole.
- 7.25 The inclusion of an Aldi supermarket within the Scheme goes some way to compensate for this, by providing a main food shopping function to enhance choice in Stocksbridge, and performing a more modest anchor role. However, the significant attraction required as a substitute for Tesco will be provided in circumstances where the Aldi store is to be delivered alongside further accommodation for retail, leisure and healthcare uses. Together the quantum and mix of uses anticipated by the Scheme will act as a major draw, generating interest and activity to support other businesses in the wider development.
- 7.26 It is also the case that contractual arrangements between the Developer and Tesco are currently such that a supermarket of more than 929 sq m is

prevented from being provided elsewhere in the development. The acquisition of the Order Land is essential as it is the only location physically or contractually capable of accommodating a large food store.

7.27 In this context the importance of the Scheme is threefold. It will complete the comprehensive regeneration of the redundant steelworks land, ensuring that the benefits arising from that investment are amplified, rather than diminished. It will deliver a series of benefits in its own right, in terms of the retail, leisure and healthcare facilities and choice available to local people. Considered as a whole it will also provide the anchor attraction, including a large food store and supporting uses, driving footfall and activity levels to help underpin the wider development.

8 Justification for using compulsory purchase powers by the Acquiring Authority

8.1 The Developer (SRC) is a venture by Dransfield Properties Limited. Dransfield are experienced award winning developers with an impressive track record of delivering mixed use regeneration projects. Dransfield has undertaken recent regeneration projects in Tunstall, Morpeth and Gainsborough town centres and Openshaw district centre.

8.2 The Developer has sought to negotiate for the acquisition of the Order Land from the existing leaseholder Tesco. Unfortunately terms have not been agreed at present although negotiations continue.

8.3 The Developer believes that the proposals will bring considerable benefits to Stocksbridge and that there is a compelling case for the Acquiring Authority to exercise its powers referred to in Section 3 above to compulsory purchase the outstanding interest in the Order Land to enable the development to go ahead and has therefore requested the Acquiring Authority to exercise those powers.

8.4 The Acquiring Authority has considered this request and has concluded that there is a compelling case in the public interest to justify using its compulsory purchase powers because of the important regeneration

benefits that the Scheme will deliver and the risk that those benefits will be lost if the Order Land cannot be assembled in a timely and orderly manner. The existing leaseholder has announced its intention not to proceed with a foodstore on the site and has not come forward with any plans for development of the Order Land. The decision to authorise compulsory purchase will bring certainty that the Order Land will be developed in a timely fashion to complement the existing development which is being undertaken.

- 8.5 As the Scheme is being led by a private developer, the Acquiring Authority has entered into a conventional “back to back” Indemnity Agreement with the Developer whereby the Acquiring Authority makes the compulsory purchase order and (if confirmed) will acquire the land which will then be transferred to the Developer to enable the development to be carried out. The Developer will indemnify the Acquiring Authority against all costs arising, both in promoting the compulsory purchase order and in any compensation payments which will arise.

9 Delivery and Funding

- 9.1 The Acquiring Authority is satisfied that the Developer has obtained the necessary planning permissions required for the Scheme
- 9.2 The Acquiring Authority is aware and is satisfied that the Developer has cash reserves and banking arrangements sufficient to fund the Scheme.
- 9.3 The Acquiring Authority also has confirmation that an operator (Aldi) has been secured for the foodstore element of the Scheme on an occupational lease.
- 9.4 The Acquiring Authority has also entered into an Indemnity Agreement whereby the Council will proceed with the Order in a timely manner.
- 9.5 The Acquiring Authority is therefore satisfied that if the Order is confirmed there is funding available to enable the Acquiring Authority to complete the compulsory acquisition of outstanding interests within the statutory period

following confirmation of the Order and the Developer has the resources and expertise to deliver this Scheme.

10 Human Rights Considerations

10.1 The Order and the acquisition of land and interests under it comply with the European Convention on Human Rights (“the ECHR”). In resolving to make the Order the Acquiring Authority has carefully considered the rights of property owners under the ECHR against the wider public interest.

10.2 It is acknowledged that the compulsory acquisition of the Order Land will amount to an interference with the rights protected by Article 1 of the First Protocol of the ECHR which provides that every natural or legal person is entitled to peaceful enjoyment of his possessions.

10.3 These rights may not be interfered with by a public authority except in the public interest and in accordance with the law.

10.4 It is acknowledged that the compulsory acquisition of land can amount to an interference with Article 8 of the ECHR which provides that everyone has the right to respect for his private and family life, his home and his correspondence. Article 8 normally applies in circumstances where an Acquiring Authority wishes to acquire residential property which people occupy as their home. There is no property occupied for residential purposes within the Order Land which will involve persons being displaced to make way for the development.

10.5 In relation to Article 1 of the First Protocol, the Acquiring Authority is of the view, given the significant public benefit which would arise from the implementation of the Scheme, that there is a compelling case in the public interest for the compulsory acquisition of the Order Land which outweighs the ECHR rights, and that the use of the compulsory purchase power in this matter is proportionate.

10.6 The Acquiring Authority is pursuing a necessary and legitimate aim and without the use of compulsory purchase powers, the redevelopment of the

Order Land would not be achievable as there is no evidence that the Order Land would be developed in the absence of the exercise of these powers.

10.7 The ECHR has recognised in the context of Article 1 that regard must be had to the fair balance which has to be struck between the competing interest of the individual and the community as a whole. In this case, any interference with convention rights is considered to be justified in the public interest in order to secure the regeneration of the Order Land and is considered to be proportionate.

10.8 Appropriate publicity and consultation has been undertaken during the planning application process for the Scheme with the opportunity being given for interested parties to make representations regarding the proposals. Further representations can be made in the context of any public inquiry which the Secretary of State decides to hold in connection with the Order. Those parties whose interests are directly affected by the Order will be entitled to statutory compensation under the relevant provisions of the Compensation Code.

11 Other Special Considerations

11.1 The Order Land does not contain any listed buildings and does not lie in a conservation area. There are no ancient monuments on the land.

11.2 There is also no special category land within the Order Land.

11.3 The Order Land lies to the east of the Hunshelf Area of Special Character. This is contained in Policy BE18 of the UDP, and this designation was taken into account in the grant of planning permission for the Scheme.

12 Related Orders

12.1 Implementation of the Scheme on the Order Land does not require the creation of new highways or public rights of way, or the closure of existing ones. The requirements in this regard, and in terms of integrating the wider regeneration project with, and upgrading, highways and public rights of way have already been addressed through orders under Section 247 of the

Town and Country Planning Act 1990 associated with earlier phases of the overall regeneration project.

12.2 This has involved the stopping up or diverting in part or in whole:

1. Hunshelf Road (part)
2. Ford Lane (whole route)
3. Public Footpath No.12 Stocksbridge (part)
4. Public Footpath No.13 Stocksbridge (part)

12.3 It has also involved agreements entered into under Sections 38 and 278 of the Highways Act 1980 to provide new and upgraded roads and footways.

12.4 As part of this process the Developer has ensured that, following full consultation with local councils and stakeholders, including principal path user groups, wherever possible, new routes are provided that both enhance public access and improve overall transportation, into and through the completed development site.

12.5 In this way the framework is already in place for development of the Order Land to be connected with the surrounding and wider area for motor vehicles, pedestrians and cyclists.

12.6 Furthermore, a specialist bicycle retailer has been secured for the site trading as Full Gas Bikes Ltd, who will be offering cycles for sale and hire, in order to encourage wider use of the cycle network being connected by the development of the order land.

13 Additional Information

13.1 The Acquiring Authority recognises that the use of compulsory purchase powers can cause uncertainty for landowners. Whilst consultation has been undertaken on the Scheme there may still be important matters upon which those affected by the Compulsory Purchase Order will require information.

- 13.2 Persons requiring further information regarding the Order should contact David Ambrose at Sheffield City Council , who can be contacted by:

Telephone: 0114 2735539

Email: david.ambrose@sheffield.gov.uk

Address: City Regeneration Division, Sheffield City Council, 4th floor, Howden House, 1 Union Street, Sheffield S1 2SH

- 13.3 Parties with interests affected by the Order, who wish to negotiate a sale or discuss matters of compensation should also contact David Ambrose, as above.

- 13.4 Copies of the Order, Order Map and this Statement of Reasons can be inspected during normal office hours at the Councils offices at:

Sheffield City Council, Town Hall Reception, Town Hall, Pinstone Street, Sheffield, S1 2HH

or

Sheffield City Council, First Point, Howden House, 1 Union Street, Sheffield, S1 2 SH

or

Stocksbridge Library, Manchester Road, Stocksbridge S36 1DH

- 13.5 The documents can also be viewed on the Councils website: www.sheffield.gov.uk

CONCLUSIONS

- 13.6 After careful consideration the Acquiring Authority is satisfied that implementation of this Scheme is in the public interest and that a compelling case exists to promote the Order. It is satisfied that the

Developer has an impressive track record and is well qualified to deliver the Scheme.

- 13.7 The Scheme is funded, has a foodstore operator, and will be deliverable.
- 13.8 The Order Land has been vacant and / or under-used for a substantial period of time and is clearly in need of regeneration. Planning permissions have been secured and work is well under way, indeed completed in parts, to regenerate the Order Land and an extensive wider area around the retained steelworks. The Scheme will deliver the redevelopment of the Order Land and enable the completion of the comprehensive regeneration of this part of the valley; without the Order Land this will remain unfinished and wider benefits will be diminished. Both the built form of the Scheme and the resulting uses will be of substantial benefit to the area. Negotiations to acquire the Order Land by agreement have not come to fruition and without the use of compulsory purchase there is every risk that the Scheme will not be completed in full and fully let, and so the substantial public benefits it was anticipated that it would deliver will be foregone. There is a compelling case now for the Scheme to be delivered.

LIST OF DOCUMENTS

In the event that objections are made to the Order and the Secretary of State decides to hold a Public Inquiry the Acquiring Authority may refer to some or all of the documents listed below.

- National Planning Policy Framework (2012)
- Sheffield Unitary Development Plan (1998) – relevant extracts
- Sheffield Unitary Development Plan (1998) – Proposals Map 1
- Sheffield Development Framework Core Strategy (2009) – relevant extracts
- Sheffield Development Framework Draft City Policies and Sites Document (2010) – relevant extracts
- Sheffield Development Framework Draft Proposals Map 1 (2010)
- Sheffield Development Framework Pre Submission City Policies and Sites Document (2013) – relevant extracts
- Corus Works Development Brief (2005)
- Planning Permission Ref. 08/02703/FUL – decision notice dated 22 July 2009 and associated application documents
- Appeal Allowed Pursuant to Planning Application Ref. 09/02819/FUL (“Planning Permission 1”) – Inspector’s decision dated 13 April 2010 and associated appeal documents
- Planning Permission Ref. 11/02480/FUL (“Planning Permission 2”) – decision notice dated 16 November 2011 and associated application documents

- Planning Application Ref. 11/00384/FUL (“the Residential Development”) – decision notice 12 October 2012 and associated application documents
- Application for residential reserved matters 14/02318/REM – decision notice 20 February 2015 and associated application documents
- Planning Application Ref. REFERENCE (“Planning Permission 3”) – decision notice dated DATE and associated application documents
- Planning Application Ref. REFERENCE (Section 73) – decision notice dated DATE and associated application documents
- Planning Permission Ref. 11/00350/FUL (test centre and warehouse) – decision notice dated 10 May 2011 and associated application documents
- Planning Permission Ref. 12/02926/FUL (test centre and warehouse Section 73) – decision notice dated 9 November 2012 and associated application documents
- Planning Permission Ref. 13/01487/FUL (Block G) – decision notice dated 24 June 2013 and associated application documents
- Agreement made between Sheffield City Council, Stocksbridge Regeneration Company, Dransfield Properties Limited and JJ Gallagher Limited dated 31 May 2012
- Agreement between Stocksbridge Regeneration Company Limited and Tata Engineering Steels Limited 4 October 2012 (redacted)

•

APPENDIX 1

The Order Plan

APPENDIX 2

Development Plan