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Report of: Executive Director of Place
Report to: Cooperative Executive
Date of Decision: 19 January 2022
Subject: Sheffield Local Plan Spatial Options

Is this a Key Decision? If Yes, reason Key Decision:-	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
- Expenditure and/or savings over £500,000	<input type="checkbox"/>	
- Affects 2 or more Wards	<input checked="" type="checkbox"/>	
Which Cabinet Member Portfolio does this relate to? City Futures, Development, Culture and Regeneration		
Which Scrutiny and Policy Development Committee does this relate to? Overview and Scrutiny Management Committee		
Has an Equality Impact Assessment (EIA) been undertaken?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If YES, what EIA reference number has it been given? 1062		
Does the report contain confidential or exempt information?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-		

Purpose of Report:

To set out the overall spatial options for meeting future development needs in Sheffield in the period to 2039 and to conduct the cross-party engagement process regarding the approach as agreed in October 2021. The overall aim of that process is for the Council to reach a decision on a preferred approach in advance of producing the Publication Draft Sheffield Plan (to be published for public consultation in October 2022).

Recommendations:

It is recommended that the Cooperative Executive:

- notes the advice provided by the Climate Change, Economy and Development Transitional Committee to support Option 3 (as set out in paragraph 1.7.12 below) as the preferred overall spatial option that should be taken forward in the Publication (Pre-Submission) Draft Sheffield Plan; and
- In accordance with the agreed cross party engagement process, refers the report to full Council for a view on whether Option 3 or one of the other four options should be supported prior to making the final decision.

Background Papers:

Sheffield Local Development Scheme (21 October 2021)
 Sheffield Plan Issues and Options – Interim Consultation Report (March 2021)
 Sheffield Plan Issues and Options Document (September 2020)
 Sheffield Statement of Community Involvement (July 2020)

Lead Officer to complete:-		
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.	Finance: Kerry Darlow
		Legal: Vicky Clayton
		Equalities: Annemarie Johnston
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>		
2	EMT member who approved submission:	Michael Crofts
3	Cabinet Member consulted:	Cllr Mazher Iqbal
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.	
	Lead Officer Name: Simon Vincent	Job Title: Local Plan Service Manager
	Date: 14 January 2022	

1. PROPOSAL

1.1 Local Plan process

1.1.1 The Local Plan is required by statute and the Council's constitution to be adopted by Full Council. Preparation of the plan is however a responsibility of the Executive. Before the draft Local Plan can be considered for adoption, the process for preparing the Local Plan must follow is set out in the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended).

1.1.2 Work is underway to begin the process of developing a new statutory Local Plan. We will be calling Sheffield's new local plan the "Sheffield Plan"¹. The Council's current Local Plan comprises the Core Strategy dated 2009 and 'saved' policies in the Unitary Development Plan dating back to 1998. Many of the policies in the current plan are out-of-date.

1.1.3 Consultation on the [Sheffield Plan Issues and Options document](#) took place in September/October 2020. That document was published under Regulation 18 of the Town and Country Planning Regulations².

1.1.4 A revised [Local Development Scheme](#) (LDS) for the Sheffield Plan came into effect on 21st October 2021, following approval by the Cooperative Executive the previous day. The LDS sets out the timetable and process for producing the Plan and shows it now being adopted by December 2024

1.1.5 The first stage in the process is to agree the overall spatial approach in the plan; in simple terms, this means agreeing broadly how much development the city should plan for and in which general locations. Once the overall spatial approach has been agreed and a subsequent detailed site selection process undertaken, officers will produce a full Publication (Pre-submission) Draft Plan (under Regulation 19³). The intention is for full Council to approve the Draft Plan in September 2022 before further public consultation takes place in October-November 2022. The Plan will then be submitted to the Government for public examination by April 2023.

1.1.6 This report represents the culmination of a series of briefings and discussions on the spatial options with all the political groups and with members of the Climate Change, Economy and Development

¹ Many consultation documentations produced in the early stages of this process and the developing draft plan itself may also make reference to the "Sheffield Plan" (on front covers for example). This is for consistency of presentation and to indicate that the work is contributing towards the Local Plan process, which will eventually lead to adoption of the new Sheffield Plan. However, it remains important to note that the Council is some way off adopting the plan at this stage.

² Town and Country Planning (Local Planning) (England) Regulations 2012, Regulation 18.

³ Town and Country Planning (Local Planning) (England) Regulations 2012, Regulation 19.

Transitional Committee. Three workshops were held with Members of the Transitional Committee between November 2021 and January 2022 to enable full discussion of the issues.

1.2 **Summary of Comments Made on the Sheffield Plan Issues and Options**

1.2.1 The following paragraphs provide a brief summary of the comments made on the Sheffield Plan Issues and Options document 2020. A full summary of the comments made is available in the [Sheffield Plan Issues and Options – Interim Consultation Report](#) (March 2021).

1.2.2 Comments from the public and voluntary organizations

- Many were in favour of the housing target being set locally
- Strongly against development on Green Belt land
- Strongly against development on low quality urban greenspace – preference for enhancement
- Concerns about impact of development on landscape character
- Support for reuse of brownfield sites
- Many respondents urging radical action to tackle the Climate and Biodiversity Emergencies – but some concerns that the 2030 target is unrealistic
- Important to provide a mix of housing (size/type), including affordable (more space, gardens)
- Concerns about the future of offices and shops in the city centre
- Support for existing employment locations – city centre/Upper & Lower Don Valley
- Many (incl. developers) stated need for accessible employment locations
- Broad support for better public transport/ active travel/ electric vehicle infrastructure

1.2.3 Developers/agents/landowners

- Considered the housing requirement should be higher than 40,000 homes (2,185/yr)
- Agree that Sheffield and Rotherham form a single housing market area (but with links to NEDD, Barnsley & Chesterfield too)
- Argue that Green Belt release is necessary to meet housing needs and support economic growth
- Suggest sufficient sites are needed to provide market choice and to enable affordable housing to be provided (on economically viable sites)
- Concerns about deliverability of brownfield sites and lack of demand for apartments
- Expressed the view that housing density should reflect character of area
- Importance of providing employment land was emphasised (especially Advanced Manufacturing Innovation District)

1.3 Housing Need and Land Supply

1.3.1 The Sheffield Plan Issues and Options document (September 2020) suggested that, based on the Government standard methodology at the time, Sheffield's housing need was around 2,185 additional homes per year (including 50 homes per year needed to replace those lost through demolition or conversion). The total need over the period 2020-2038 was therefore 39,330 homes. This figure was rounded up to 40,000 homes for the purposes of the Issues and Option consultation.

1.3.2 The Issues and Options document set out various options for meeting future housing and employment needs. This included the option of accommodating more housing in the Central Area of Sheffield and two options for releasing Green Belt land to provide land for either 5,000 or 10,000 homes.

1.3.3 Since the consultation on the Issues and Options, the Government has changed the national Planning Practice Guidance on calculating future housing needs (referred to as the 'objectively assessed need'). Significantly, this change includes applying a 35% increase in the housing need figures for London and the 19 other largest urban centres in England; this includes Sheffield. The effect of this has been to increase Sheffield's total housing need from just under 40,000 additional homes to over 53,500 additional homes over the period 2021-2039. The revised calculation is as follows:

Additional homes needed (18 x 2,923/yr ⁴)	= 52,614
Plus replacement allowance (18 x 50/yr)	= 900
Total Need	= 53,514

1.3.4 The **housing need** figure provides the *starting point* for setting the **housing requirement** in the Sheffield Plan. The National Planning Policy Framework states that local plans should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas. However, the scale of growth may be restricted where meeting the full need would harm assets identified in the Framework as being of particular importance (e.g. Green Belt and Sites of Special Scientific Interest) or where the adverse effects of doing so would significantly and demonstrably outweigh the benefits when assessed against the policies in the Framework as a whole. Relevant text from paragraph 11 of the NPPF is quoted in the legal implications section below (see paragraph 4.3.3).

⁴ Using the Government's standard methodology for calculating housing need, this is the number of homes needed per year. The figure is updated annually to take account of changes in the affordability of home in the local area.

Demographic Analysis

- 1.3.5 In light of the changes to the Government methodology for calculating housing need, we commissioned modelling work by Icen Projects to examine what the 35% uplift in housing need would mean in terms of population and jobs growth. Their modelling suggests that Sheffield's population would increase by almost 97,000 over the period to 2038 if the level of housing suggested by the Government methodology was provided. This level of population growth is more than double the rate currently forecast by the latest national population projections (45,500); it implies a very large increase in migration to Sheffield from other parts of the UK or from abroad. Members will no doubt wish to consider whether this rate of growth is realistic and what the implications of planning for this level of growth might be for the city. The implications for land supply and housing completion rates are discussed in section 1.6 below.
- 1.3.6 Icen Projects have concluded that it would *not* be necessary to deliver the number of homes suggested by the Government's housing need figure (with the 35% uplift) in order to support the jobs growth target in the Sheffield City Region Strategic Economic Plan (SEP). Their view is that **between 1,994 and 2,323 additional homes per year are needed to align with the jobs growth target compared to 2,923 additional homes that would be delivered if the 35% uplift was met.** The latest SEP covers the period 2021 to 2041 and aims to deliver 33,000 extra people in higher level additional jobs across the City Region between 2015 by 2041. However, the latest SEP does not provide a figure for the overall level of jobs growth. Furthermore, it does not provide a target for jobs growth in each local authority area. The Icen modelling has therefore relied on estimates of jobs growth by district that were produced to support the previous SEP; the targets for delivering more higher skilled jobs are the same in both documents. The previous SEP aimed to deliver 70,000 additional jobs across the City Region as a whole over a 10-year period (2015-2025) and it was estimated that 25,550 of those jobs would be in Sheffield.

Housing Land Supply – Brownfield Urban Capacity

- 1.3.7 Our analysis of land supply suggests around 37,355 homes could be accommodated on suitable brownfield land within the existing urban areas. This assumes that all this land would be developed over the Plan period. Brownfield land that is identified as being more appropriate for employment needs is not included in this potential housing land supply (see paragraphs 1.4.4-1.4.7 below). Much of the land identified as being suitable for employment uses would be unsuitable for residential use, although some sites could be suitable for either use. We have defined the 'urban area' as all the land not currently designated as Green Belt.

As at 1 April 2020:

Central Area

- Sites with permission	7,255
- Sites without permission (brownfield)	13,745

Remaining urban area

- Sites with permission	4,855
- Sites without permission (brownfield)	4,545
- 'Broad locations for growth' (estimated)	5,000
- Small sites allowance	3,800

TOTAL Supply (2020-2039) **39,200**

Minus completions (2020/21) -1,865

Remaining supply (2021-2039) **37,335**

- 1.3.8 The brownfield supply includes an estimated 5,000 homes that we expect will come forward in 'broad locations for growth'. Typically, these are areas that are transitioning from commercial to residential use and are where we expect additional 'windfall' sites to come forward over the period to 2039. These areas are also where we expect to be able to allocate additional brownfield land for housing in future reviews of the Sheffield Plan.

1.4 Employment Land Needs and Land Supply

Employment Land Need

- 1.4.1 Our latest analysis indicates that 11.5 hectares of employment land is needed per year to meet the level of jobs growth proposed in the SCR Strategic Economic Plan (see paragraph 1.3.6 above). This equates to **207 ha of land to meet employment land needs over the period 2021 to 2039**. The assessment of employment land needs has been calculated by economy specialists Lichfields as part of the update Employment Land Review. This was published on the Council's website in January 2022. This employment land requirement would increase if planned housing numbers were greater than is needed to support the jobs growth identified in the Strategic Economic Plan.
- 1.4.2 2.9 hectares (25%) of this is needed for offices and 8.6 hectares (75%) for manufacturing, warehousing and distribution uses. The overall figure of 11.5 hectares assumes that an average of 4.23 hectares of existing employment land will be redeveloped each year for other uses (mainly housing); the *net* need for additional employment land is therefore about 7.27 hectares per year.
- 1.4.3 The analysis by Lichfields has taken account of the latest data available on the take-up of employment land following the pandemic. Whilst there has been much coverage in the media about the impact of more people working from home, Lichfields have concluded that the demand for new office space in Sheffield is strong; in particular, there is a need for more

'Grade A' office space. Many firms are currently occupying premises that are old and do not meet modern day requirements which means that some of the older stock will become available for redevelopment as new space is provided.

Employment Land Supply

- 1.4.4 Within our updated Employment Land Review, consultants Lichfields have concluded that there is currently about **147 hectares of deliverable employment land on suitable sites within the existing urban areas** (although this includes around 28 hectares of land where some residential use is likely to come forward). This represents about a **12.8-year supply** but it is reasonable to expect additional land to come forward as 'windfalls' over the period covered by the Local Plan due to redevelopment of existing employment land. Sites being promoted by landowners and developers could potentially increase the supply by a further 50 hectares to 197 hectares but these are all previously undeveloped sites in the urban area and/or sites of significant environmental value. Consequently, they could be discounted through the more detailed site selection process. As previously noted, the employment land requirement would increase if planned housing numbers were greater than is needed to support the jobs growth identified in the Strategic Economic Plan.
- 1.4.5 The report by Lichfields notes that there is an over-supply of poorer quality older industrial stock and that the logistic sector (warehousing and distribution) is severely constrained by a lack of land. They recommend providing more, better quality 'Grade A' office space in the City Centre and including a strong policy in the Sheffield Plan to promote the Advanced Manufacturing Innovation District.
- 1.4.6 Lichfields recommend that the need for housing should be carefully balanced with the need for employment land and it will therefore be important to safeguard key employment sites against proposals for residential use.
- 1.4.7 In considering the appropriate spatial option, including whether exceptional circumstances exist for Green Belt release, we recommend that Members take into account the shortfall in the overall supply of employment land to 2039, as well as the potential to provide additional, better-quality land that would be suitable for logistics and manufacturing; possibly on the east of the city, close to the M1 Motorway. Members may also wish to reflect on the importance of the AMID for the city's future economic prospects and the potential it offers to provide more higher skilled jobs.

1.5 Alterations to the Green Belt Boundary – the Exceptional Circumstances test

- 1.5.1 The National Planning Policy Framework states that Green Belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified, through the preparation or updating of plans (such as the Sheffield Plan).
- 1.5.2 It is clear from the evidence on housing land supply, that meeting the full housing need to 2039, as calculated using the Government’s standard methodology, could only be achieved if land is removed from the Green Belt and allocated for development. This *might* constitute exceptional circumstances, but it will be necessary to weigh up the benefits of releasing land for development against the harm that might be caused. The benefits and disbenefits of Green Belt release are considered in the next section.
- 1.5.3 Other site-specific reasons, for example the need for employment land that could enable growth of the AMID, might also constitute exceptional circumstances. But Members will need consider whether the economic and social benefits are outweighed by any harm to the environment.
- 1.5.4 It is worth emphasising that ‘Green Belt’ is a planning designation used to protect the openness of land of the edge of built-up areas. It may include both brownfield (previously developed) and greenfield (previously undeveloped) land.

1.6 Spatial Options – the Scale and Location of Future Growth

- 1.6.1 Policies in the National Planning Policy Framework point to a sequential approach when deciding which sites should be allocated for development in local plans. The exceptional circumstances test for altering the Green Belt boundary is particularly important because it means that all other reasonable options should be considered first⁵. The NPPF also prioritises the reuse of brownfield sites⁶. Local authorities are also expected to work with neighbouring districts to consider whether some of the unmet development needs can be accommodated in those districts⁷. Where exceptional circumstances are considered to exist to justify altering the Green Belt boundary, the NPPF⁸ says that first priority should be given to land that has been previously developed and/or is well-served by public transport.
- 1.6.2 Taken together, these factors mean that the sequence for assessing land supply and allocating sites should be:

- a) Reuse of brownfield sites within existing urban areas

⁵ NPPF, paragraph 141

⁶ NPPF, paragraph 119

⁷ NPPF, paragraph 141

⁸ NPPF, paragraph 142

- b) Use of previously undeveloped land within the urban areas
- c) Consideration of whether any unmet needs can be met in neighbouring districts
- d) Release of Green Belt land, with first priority to previously-developed (brownfield) land and land that is well served by public transport

1.6.3 In 2018, we asked the other local authorities in Sheffield City Region whether they would be able to meet any of Sheffield's housing need. They all responded to confirm they were unable to do so. However, in light of the changes to the Government standard methodology, we have been having on-going discussions with the other local authorities around how the 35% uplift should be accommodated. The initial indication is that none of the authorities have changed their view in terms of being able to meet housing need arising from Sheffield's population growth. The population growth associated with the 35% uplift is however 'footloose' in so far as it could relate to people moving to the City Region from other parts of the UK or from abroad (it is not need generated in Sheffield per se). There is also some flexibility in housing supply across South Yorkshire and the wider City Region due to allocations already included in adopted local plans.

1.6.4 This sequence for identifying land supply has led us to propose 5 spatial options for accommodating future development. These options are set out in the following paragraphs.

Option 1: An urban capacity-led approach – brownfield only

1.6.5 Under this option the housing requirement would be limited to the number of homes that could be accommodated on suitable brownfield sites in the urban area (see paragraph 1.3.7 above). The maximum number of homes per year that could be delivered under this option is around 2,075 homes per year if all the identified supply is delivered and if windfall sites come forward at the rate predicted (see Appendix). However, some of this land could also be used to increase the supply of employment land.

1.6.6 The **benefits** of this option include:

- It encourages development on brownfield sites;
- Maintains a more compact city – less travel from suburbs/ more active travel/lower carbon emissions;
- Central Area provides more homes suitable for (mainly younger) people moving to Sheffield to work/study;
- Supports regeneration of City Centre – improving the viability of shops/leisure;
- Avoids releasing Green Belt land for development

1.6.7 The main **disbenefits** of this option include:

- The housing requirement would be significantly less than the housing need figure calculated using the Government's standard methodology and at the bottom end of the recommended range in the report by Icen Projects;
- It requires significant public investment to overcome viability issues/provide infrastructure;
- It offers less potential to deliver affordable housing;
- More households wanting family-sized accommodation may be forced to look outside Sheffield – this could lead to increased commuting;
- It could be argued that it would not provide the right mix of homes to support the jobs growth target;
- There is a limited supply of brownfield sites in many parts of city – so new homes would be concentrated in the Central Area and the inner north and east of the city;
- Some urban brownfield sites are more ecologically valuable than farmland;
- Limits potential to address employment land shortfall.

Option 2: As Option 1 but with previously undeveloped land within the urban area also allocated where this is considered sustainable

1.6.8 We use the term 'previously undeveloped land' to describe land within the existing urban areas that has not previously been built on and which is not designated as Green Belt (i.e. in effect, the Green Belt inner boundary defines the edge of the urban area). This category of land mainly relates to:

- Land that was previously allocated for development in the Unitary Development Plan – some of this is currently in agricultural use or is now used as informal open space (with varying degrees of maintenance);
- Farmland;
- Disused sports grounds and some areas of informal greenspace (which is often poorly maintained)

1.6.9 The total capacity of the previously undeveloped land that is being promoted for development is around 3,000 homes. However, it is likely that much of this land would be discounted through the detailed site selection process due to the environmental impact or because the land is needed to meet needs for outdoor recreation. Including this land as allocated housing sites could increase the housing requirement figure to a maximum of 2,240 homes (see Appendix).

1.6.10 The **benefits** of this option include:

Similar to Option 1 but it also:

- Provides greater flexibility in supply
- Offers more opportunities to provide family-sized housing in suburban areas
- Could provide additional potential to deliver more affordable housing (because previously undeveloped land is generally easier and therefore more economically viable to develop);
- Would help demonstrate that all reasonable options have been considered if it was decided that Green Belt should not be released.

1.6.11 The main **disbenefits** of this option include:

Similar to Option 1 but also:

- Some previously undeveloped land in the urban area can be more ecologically valuable than farmland;

Option 3: Option 1 or 2 plus release of sustainably-located brownfield sites in the Green Belt

1.6.12 There are two large brownfield sites in the Green Belt that adjoin the existing urban area. We estimate that, in total, these sites could have capacity for up to 1,100-1,200 homes but they could also be suitable for employment use. Adding these sites to the supply could enable a housing requirement of up to 2,305 per year (see Appendix).

1.6.13 The brownfield status of these sites *might* constitute the exceptional circumstances necessary to alter the Green Belt boundary. But it will be a case of weighing up the benefits and disbenefits of developing these sites in reaching a decision on each site through the detailed site selection process.

1.6.14 There are also a small number of significant brownfield sites in open countryside, away from the existing urban areas. In our view, brownfield sites in open countryside are not reasonable strategic alternatives for development because they would lead to an unsustainable pattern of development. That view was supported by the Inspector at a recent appeal. If development were to take place on those sites it would not be of sufficient scale to create any significant degree of self-containment, meaning that it would increase the need to travel and residents would be highly car-dependent.

1.6.15 The **benefits** of realising a limit number of large brownfield sites in the Green Belt that adjoin existing urban areas include:

As Option 2 plus:

- It provides additional opportunities for family-sized housing in suburban locations and/or employment;
- It would enable the reclamation of derelict/brownfield sites;

- The sites being considered are in relatively sustainable locations – near tram stops/railway stations and other local services and facilities

1.6.16 The main **disbenefits** of this option include:

As Option 2 plus:

- Such sites could be unviable for housing due to reclamation costs; so there could be a stronger argument for releasing them for employment use

Option 4: As Option 1,2 or 3 plus release of sustainably-located greenfield (previously undeveloped) sites in the Green Belt for development where there are site-specific exceptional circumstances to justify altering the Green Belt boundary

1.6.17 There are certain sites in the Green Belt where there may be site-specific circumstances to justify altering the Green Belt boundary, even if it is not accepted that a strategic case exists to justify Green Belt release to meet the full housing need. These site-specific circumstances might typically exist where development would:

- Increase the viability of key strategic infrastructure, thereby enabling it to be delivered – in particular, new passenger railway lines/stations;
- Support the expansion of strategically important employment areas such as the Advanced Manufacturing Innovation District;
- Provide land to meet specialist housing needs in a part of the city where there is no other land available

1.6.18 The housing requirement under this option would be less than 2,973 per year (see Appendix).

1.6.19 The **benefits** of this option include

- It would provide opportunities to allocate sites in a wider range of market sub-areas across the city;
- It would potentially deliver a better mix of house types overall – with more family-sized homes;
- Viability is less of a problem on greenfield sites;
- It would potentially enable more affordable homes to be provided (because typically greenfield sites are more viable);
- It could provide an opportunity to support investment in new rail infrastructure (the Barrow Hill line between Sheffield and Chesterfield, and/or the Upper Don Valley between Sheffield and Stocksbridge);
- It offers potential to better address employment land constraints, provide jobs/ mixed use development;

- The amount of housing being provided would be closer to the housing need figure calculated using the Government methodology

1.6.20 The main **disbenefits** of this option include:

- There is some risk that it could undermine urban regeneration;
- It would lead to more commuting from suburban areas – more pollution and adverse impacts on the net zero carbon target;
- If demand for housing does not materialise, the Housing Delivery Test might not be met – this triggers the ‘tilted balance’ in favour of granting planning applications on unallocated greenfield sites;
- Major infrastructure investment would be needed to make some greenfield sites sustainable (especially transport, health facilities, schools)

Option 5: As Options 1, 2, 3 or 4 plus release of sufficient greenfield (previously undeveloped) sites in the Green Belt to meet the full housing need figure, as calculated using the Government’s standard methodology

1.6.21 Under this option, sufficient land would be provided to enable the delivery of around 53,500 homes over the period 2021-2039 (an average of 2,973 per year). Depending on how much land is capable of being allocated in the urban areas, it could mean building in excess of 16,000 homes on land that is currently designated as Green Belt (this would potentially be the figure if no previously undeveloped land in the urban areas is allocated). It could include the 1,100-1,200 homes that could be accommodated on brownfield sites in the Green Belt (see Option 3 above), meaning nearly 15,000 homes may need to be accommodated on greenfield sites in the Green Belt.

1.6.22 The **benefits** of this option include:

Similar to Option 4 plus:

- It provides the opportunity to allocate sites in all market sub-areas of the city
- It would provide an even greater mix of house types – with more family-sized homes
- It would offer further potential to provide affordable homes (because greenfield sites are more viable and because more housing is being delivered overall)

1.6.23 The main **disbenefits** of this option include:

Similar to Option 4 but also:

- The scale of Green Belt release necessary could seriously harm Sheffield’s reputation as ‘the Outdoor City’;

- It is highly likely that harm would be caused to sites of significant landscape value;
- Additional Green Belt land would also be required for employment uses – to ensure that the population and housing growth are aligned
- There is a significant risk that it could undermine urban regeneration, especially if the demand for new homes fails to materialise (meaning developers are able to concentrate on developing greenfield sites)

1.7 Conclusions on the Spatial Options

- 1.7.1 The decision on whether to consider allocating previously undeveloped land in the urban area and/or Green Belt land for development is a difficult one. There is no doubt that many members of the public would prefer to see future development restricted to brownfield sites both to protect the city's green heritage and to promote more sustainable patterns of development. But equally, there is considerable public support for providing more affordable housing and a wider mix of housing than will be achievable if we focus development on brownfield land only. Additionally, our ability to have flexibility around employment opportunities would be compromised in this scenario and economic viability remains a problem on many brownfield sites; meaning that the release of greenfield (previously undeveloped) sites (which are generally more economically viable), could help to increase the supply of affordable homes for example.
- 1.7.2 The demographic analysis commissioned by the Council would suggest there must be serious doubts about whether the levels of migration implied by the Government's housing need figure will actually materialise. The Government's figure does not align with the jobs growth target set by the Sheffield City Region Strategic Economic Plan and there are significant risks of setting a housing requirement figure in the Sheffield Plan that cannot be delivered due to a lack of demand; in particular it risks undermining efforts to regenerate brownfield sites and could mean that the Council fails the Government's Housing Delivery Test, triggering further unplanned development on greenfield (previously undeveloped) sites.
- 1.7.3 The evidence shows that, whilst there is still a large stock of brownfield land available, it's unlikely that the city's future development needs to 2039 can be met entirely on such sites. However, whichever option is chosen, there are strong sustainability and economic arguments for seeking to maximise housing growth in the Central Area of Sheffield. Work being undertaken to support the emerging City Centre Strategic Vision will show how a range of different neighbourhoods can be developed across the Central Area. The new Local Plan will adopt the nationally described housing space standards and higher quality design and sustainability standards should improve the overall quality of housing being provided in the Central Area and elsewhere in the city. A

greater mix of house types will also be promoted, including townhouses and large apartments in the Central Area that are suitable for families. New student schemes will be restricted to neighbourhoods close to the universities. Tall buildings (greater than 10 storeys) will be allowed in appropriate defined locations and mixed-use tall buildings will be encouraged.

- 1.7.4 More 'Grade A' Office space also needs to be provided in the commercial core of the city centre. This is the most accessible location in the city by public transport, so it makes sense to concentrate the highest jobs densities there.
- 1.7.5 If Members decide to allow the allocation of some previously undeveloped land within the urban areas, it will be important that the suitability of each potential site is carefully assessed through the more detailed site selection process as the draft Plan progresses. It is likely that many of the previously undeveloped sites will be ruled out as allocated sites due to their environmental quality.
- 1.7.6 The other local authorities in Sheffield City Region have previously stated that they are unable to meet any of Sheffield's housing needs and we do not expect that position to change. However, we will continue to have dialogue with neighbouring districts with a view to reaching agreement on how the 35% uplift in housing need could be dealt with at either a South Yorkshire or City Region level. There are good arguments for saying that housing provision in already adopted local plans provides flexibility in supply.
- 1.7.7 Site specific exceptional circumstances might exist to justify removing a limited number of large brownfield sites from the Green Belt. However, the ecological impact of development on those sites would need to be carefully assessed through the site selection process and it could limit the developable areas of those sites.
- 1.7.8 There are a number of locations where new development could help to deliver specific benefits such as investment in strategic public transport infrastructure. It is possible that site-specific exceptional circumstances may also exist to justify alterations to the Green Belt boundary in those locations.
- 1.7.9 The AMID is of critical importance for the economy of the city and can play a key role in helping to achieve the city's aspirations to deliver more higher skilled jobs. It is therefore important that there is sufficient land available to enable AMID to maximise its potential. Consideration could also be given to providing additional land in other locations by releasing a limited amount of Green Belt land where it would provide good quality sites for logistics and manufacturing if this was deemed to represent site specific exceptional circumstances.

- 1.7.10 If Members decide that exceptional circumstance exist to meet the full housing need, including the 35% uplift proposed by the Government, this could require in excess of 16,000 homes being provided on land that is currently designated as Green Belt. We estimate this would affect over 7% of the current Green Belt⁹. This is likely to cause serious harm to the environment and undermine Sheffield’s reputation as the Outdoor City.
- 1.7.11 The Appendix below shows the potential housing requirement that could be set in the Sheffield Plan under each of the 5 options, based on the maximum capacity of sites that have been identified or are being promoted by landowners/developers. In practice, some sites will be ruled out through the site selection process so the true figure for each option would be less than the maximum figures shown. When considering this Appendix Members should also be mindful of the employment land issues raised in this report.
- 1.7.12 **The options set out in section 1.6 above have been the subject of lengthy discussions by the Climate Change, Economy and Development Transitional Committee. Their advice, following the meeting of the Committee on 13th January 2022 is that Option 3 should be taken forward as the preferred spatial approach in the Sheffield Plan. This option would mean focusing development on:**
- **brownfield sites within the existing urban areas;**
 - **previously undeveloped land within the urban areas;**
 - **sustainably-located brownfield sites in the Green Belt**

Members of the Committee voted as follows:

Option	Councillors	Total Votes
1	Cllr Mazher Iqbal	1
2		0
3	Cllr Mark Jones; Cllr Chris Rosling-Josephs; Cllr Barbara Master; Cllr Tim Huggan; Cllr Mike Levery	5
4	Cllr Douglas Johnson; Cllr Paul Turpin	2
5		0
Abstentions	Cllr Diane Hurst (but minded to support either Option 3 or 4)	1

- 1.7.13 Whichever option is agreed, the detailed site selection process that follows will determine which sites are proposed as allocated sites in the Publication Draft Plan. This means that some sites that ‘fit’ the overall

⁹ This assumes housing is developed at an average net density of 40 dwellings per hectare and that the net developable area is around 60% of the total site area (40% retained as open space and other non-residential uses). Total land to be removed from the Green Belt would therefore be 667 hectares. This equates to 7.3% of the total area of the Green Belt (9,125 hectares).

strategic approach will be ruled out (e.g. due to the site-specific impact of development on biodiversity) or the developable area may be reduced. So, for example, a decision to allow some development on previously undeveloped land in the urban areas does not necessarily mean that all such land that is being promoted will automatically be allocated. But a decision *now* to limit development to brownfield sites only would rule out any allocations on such sites.

2.0 HOW DOES THIS DECISION CONTRIBUTE?

2.1 The decision on the preferred spatial option is a significant step towards producing the Publication Draft Local Plan but the plan will not carry significant weight until it is adopted (by December 2024). Once adopted the Plan will play an important role in supporting Council priorities in relation to the 1-Year Plan themes of:

- Education, health and care
- Climate Change, Economy and Development
- Communities and Neighbourhoods

2.2 The Member engagement process during autumn 2021 has aimed to build political consensus around the best way of meeting the city's development needs in a sustainable way. It is consistent with the ambition in the Our Sheffield One Year Plan to be a more democratic council, with new ways of making decisions, listening to more views and connecting with communities.

3.0 CONSULTATION

3.1 The Council's decision on the preferred spatial option has been informed by the public consultation exercise carried out as part of the Issues and Options process in 2020. The outcomes of this are summarised in paragraphs 1.2.1 to 1.2.3 above.

3.2 The decision on the spatial options will be the subject of extensive public consultation in the Autumn of 2022 as set out in the Local Development Scheme. Consultation on the Sheffield Plan will be carried out in accordance with the [Statement of Community Involvement](#) (July 2020).

4.0 RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 The main issues relate to:

- the type and affordability of new homes that are likely to be provided
- the opportunities to create more better paid jobs
- access to employment areas by public transport or active travel
- the location of new homes in relation to community facilities/public transport/ active travel routes

- the impacts on physical and mental health due to the availability of public open space
- the proximity of new housing to areas with poor air quality

These issues are highlighted in section 6 above which set out the benefits and disbenefits of each option.

4.1.2 Preferred Option 3 involves maximising the use of suitable sites in the urban area for new development but also allows the consideration of brownfield sites in the Green Belt that adjoin the existing urban area. This approach strikes a balance between meeting social objectives around the provision of new homes (including affordable housing and specialist accommodation) and protection of the environment. However, Options 4 and 5 would potentially enable more affordable homes to be provided.

4.1.3 The preferred approach allows the consideration of previously undeveloped land in the urban area but the site selection process should ensure that open space needed for outdoor recreation is protected. This has particular benefits for health, including mental well-being. Protection of greenfield land in the Green Belt also helps maintain access to greenspace, reduces the need to travel and helps improve air quality

4.1.4 Option 3 has the benefit of maintaining a compact city but some new homes are likely to be built in parts of the city that experience particularly poor air quality. This can be mitigated through a number of initiatives including the Clean Air Zone and, over the period covered by the Local Plan, the switch to electric vehicles should lead to marked improvements in air quality overall.

4.1.5 Preventing outward sprawl of the urban area and concentrating new development in the existing urban areas also helps improve the viability of public transport and means that more people live closer to local services and facilities. This has particular benefits for people on low incomes, especially those who do not have access to a private car.

4.2 Financial and Commercial Implications

4.2.1 There are no direct revenue implications as a result of approving the spatial options. Decisions on which sites are eventually allocated for development in accordance with the preferred spatial approach, will impact on the Council's land holdings.

4.3 Legal Implications

4.3.1 The selection of the preferred spatial approach does not form part of the statutory process set out in the Town and Country Planning Regulations

but is intended to assist officers in preparing the Publication Draft Plan that will be produced under Regulation 19¹⁰.

4.3.2 In order to be adopted, a local plan must be found to be 'sound'. This means the local plan must be:

- Positively Prepared
- Justified
- Effective
- Consistent with National Policy

4.3.3 As already noted in paragraph 1.3.4 above, the National Planning Policy Framework provides at paragraph 11:

Plans and decisions should apply a presumption in favour of sustainable development.

For plan-making this means that:

- a) *all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects;*
- b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:*
 - i. *the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or*
 - ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

4.3.4 Anything other than providing for the full housing need with the 35% uplift runs a risk of being found to be unsound due to not being consistent with national policy. This is because the NPPF requires, as a minimum, that the plan provides for objectively assessed needs for housing unless an alternative can be justified as detailed above.

4.3.5 The options are considered to provide a hierarchy with the consistency with the national policy regarding housing need being met at Option 5, and Options 1 – 4 would require justification, with Option 1 being the most difficult to justify.

¹⁰ Town and Country Planning (Local Planning) (England) Regulations 2012, Regulation 19.

4.4 Other implications

4.4.1 There are no other significant implications.

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 The main spatial options relating to the scale and location of future development are already set out in sections 1.6 and 1.7 above.

5.2 Officers could have worked on producing the Publication Draft Local Plan without seeking a specific Member steer on the overall spatial approach. However, to date, it has proved difficult to build a consensus on what is the correct approach for the city; in particular, there has been considerable concern on whether land should be removed from the Green Belt in order to provide more land for development. Without a thorough cross-party engagement process on the overall spatial approach, there would be a very significant risk of the Publication Draft Plan being rejected by full Council.

6.0 REASONS FOR RECOMMENDATIONS

6.1 Officers require a clear steer on the preferred approach before the details can be worked in the full Publication Draft Plan and before further public consultation takes place in autumn 2022.

6.2 The options set out in this report mean there are difficult choices to be made between social, economic and environmental objectives and a thorough cross-party engagement process is desired to mitigate the risk of the draft plan being rejected by full Council at a later stage.

Appendix 1: Spatial Options - Estimated Housing Requirement Figures that could be Achieved

	Max Number of Homes per Year	Assumptions
Government Local Housing Need based on standard methodology <u>including</u> the 35% uplift	2,973	Assumes 50 homes per year replacement allowance for homes lost through demolition or conversion to other uses.
Government Local Housing Need based on standard methodology <u>without</u> the 35% uplift)	2,215	
Iceni Projects recommended range	1,994-2,323	Based on the number of homes needed to support the jobs target in the Sheffield City Region Strategic Economic Plan
Option 1: <i>An urban capacity-led approach – brownfield only</i>	2,075	Assumes <u>all</u> the suitable brownfield supply is deliverable by 2039 and does not account for unmet employment land needs
Option 2: <i>As Option 1 but with previously undeveloped land within the urban area also allocated where this is considered sustainable</i>	2,240	Assumes <u>all</u> the suitable brownfield supply is deliverable by 2039 plus all the previously undeveloped land in the urban area that is being promoted by landowners/developers
Option 3: <i>Option 1 or 2 plus release of sustainably-located brownfield sites in the Green Belt</i>	2,305	Assumes <u>all</u> the suitable brownfield supply in the urban area is developed for housing by 2039 Assumes both the sustainably-located brownfield sites in the Green Belt are deliverable by 2039. Assumes all the previously undeveloped sites in the urban area.
Option 4: <i>As Option 1,2 or 3 plus release of sustainably-located greenfield sites in the Green Belt for development where there are site-specific exceptional circumstances to justify altering the Green Belt boundary</i>	<2,973	
Option 5: <i>Options 1, 2, 3 or 4 plus release of sufficient greenfield sites in the Green Belt to meet the full housing need figure, as calculated using the Government’s standard methodology</i>	2,973	Up to 16,160 homes would need to be provided on land currently designated as Green Belt if all the brownfield capacity is delivered by 2039 but no previously undeveloped land in the urban area is allocated for development. 13,160 homes would need to be provided on land currently designated as Green Belt if all the brownfield capacity is delivered by 2039 and if all previously undeveloped land in the urban area is allocated for development

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