

Annual Review 2022
Year Zero



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1. Preface

Sheffield is England's fourth largest city. Similar to many other regions across the country and owing at least in part to its post-industrial legacy (with many brownfield sites which have either landownership and/or abnormal site cost issues that impair viability), Sheffield has struggled to meet the housing needs of its growing and increasingly diverse population. The lack of affordable housing provision in particular has become an acute issue.

Sheffield City Council ('SCC') is committed to meeting the need for more affordable housing and to enabling the development of housing for sale and private rent across all market sectors. Through SCC's actions and interventions to date, regeneration of key areas across the city is well underway.

Homes England has partnered with SCC, the Combined Authority, the Sheffield Property Association (SPA), and key local Housing Associations to develop a strategic, long term and place-based relationship that will accelerate the delivery of new homes in Sheffield which are of the correct **type, quantum and quality**. This is the overarching '**Mission**' of the partnership which guides the programme of activities.

The strategic place-based relationship is intended to facilitate collaboration between landowners, private sector partners and the public sector with interventions deployed where necessary to unlock the delivery of new homes across the City and to address past shortfalls in provision.

The key Objectives of the Mission can be summarised as follows:

- > **Work collaboratively** and establish new ways of partnership working to support the delivery of more new homes in Sheffield;
- > Progress the delivery of a joint **Housing Pipeline** of sites to enable between 2,500 and 3,000 housing (all tenure) starts per annum over 3, 5 and 7 years (starting in April 22/23);
- > Prepare a five-year (rolling) **Integrated Affordable Housing Programme**, ramping up to 1,000 starts per annum;
- > Review partners own existing **land ownerships** and identify key third party owned acquisition opportunities which will support the delivery of residential developments initiatives across Sheffield;
- > Utilise the partners **market relationships** with developers and funders to target sites within Sheffield and to try to resolve any development constraints to the delivery of those sites;
- > Secure access to **public funding sources and private sector finance** to assist in programmes of acquisition, land remediation and the provision of core infrastructure;
- > **Co-develop business cases** to support investment in critical infrastructure to support growth;
- > Consider and agree the most appropriate means of existing land holdings and acquired **sites being taken to market**, and develop core competencies in relation to place-making to provide the most favourable conditions for investment and the creation of sustainable places. This will include ensuring that, where relevant, residential management arrangements are established that are in line with market leading developments;
- > Use partners existing **tools/skills/programmes** to proactively unlock public and private sector land for housing; and
- > **Focus available resource** on the delivery of strategic residential growth in the Central Area Strategy priority neighbourhoods and catalyst sites. Activities undertaken in these areas shall act as an exemplar of how any strategic partnership between the parties will function.



In order to deliver the Objectives and ensure that the Mission is accomplished, SCC, Homes England, the Sheffield Property Association and representatives of active local housing associations agreed to establish a new **Sheffield Housing Growth Board** in December 2021. The Board was created to focus efforts on achieving housing targets and to implement key placemaking principles. The Board will also oversee performance and ensure that the delivery of new homes is balanced and meeting the range of housing need across the city. The Board is supported by the Sheffield Housing Co-ordinating (Thursday) Group, and a Housing Delivery Group.

This bespoke housing solution is just one example of Homes England's broader efforts to reshape the way it works with places. In line with the commitments set out in the government's Levelling Up White Paper, Homes England is adopting a place-first approach to transformational regeneration, responding to the individual circumstances, aspirations and needs of each place, and working with local leaders to unlock barriers.

To ensure dedicated and coordinated action across the identified project objectives, the overall work programme was divided into **Workstreams** which individually report to the Housing

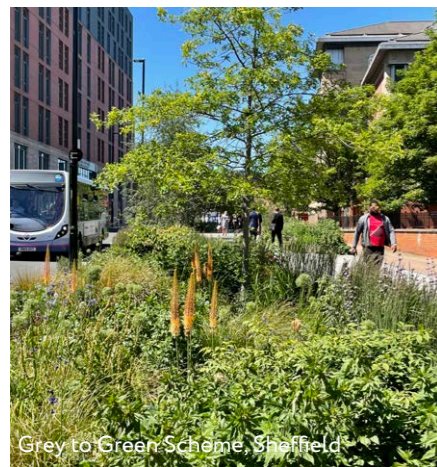
Growth Board. The key objectives, deliverables, actions and progress to date under each Workstream are summarised in this report. This is followed by an overview of the core areas of focus for 2023 and how the Mission feeds into the overall Levelling Up agenda, before finishing with the report conclusions.

> *Sheffield City Council ('SCC') is committed to meeting the need for more affordable housing and to enabling the development of housing for sale and private rent across all market sectors.*

2. Why Sheffield



Grey to Green Scheme, Sheffield



Grey to Green Scheme, Sheffield



Winter Gardens, Sheffield

Sheffield is one of the eight English cities that make up the Core Cities Group. The unique blend of urban and rural communities combined with the city's industrial heritage, creates a distinct and vibrant locale.

Sheffield is a growing city with a population of 584,853 as at 2019 and this is projected to increase by c. 11% to 648,419 by 2043. The existing city population is diverse including a significant student population, with over 60,000 students residing in the city. Sheffield is also an ethnically diverse city with around 19% of the population from black or minority ethnic groups.

Sheffield is known as the "Outdoor City" and provides a strong offer in culture, heritage, music and art whilst also being home to two universities, the world snooker championships and two football clubs. Sheffield was awarded the title of the UK's most sustainable city (independent survey by Natwest and the University of Southampton), the top UK city for a European Break (Time Out survey) and the best global city for Greenspace, with the city comprising 61% of greenspace; more than any other in the world. One third of the city's boundary falls within the Peak District National Park.

> Through partnership with key stakeholders, from local communities, through business and academia, to local and national government, Sheffield is now seeking to co-create an economy that supports innovation and enterprise.

The economy has experienced continued steady growth (averaging around 5% annually) and is currently worth over £11 billion. The City's people, businesses and institutions are a great asset. Through partnership with key stakeholders, from local communities, through business and academia, to local and national government, Sheffield is now seeking to co-create an economy that supports innovation and enterprise, with a wider and more equitable distribution of its rewards.

Sheffield's future and the Levelling Up agenda offers the chance to deliver new housing, better transport, improved infrastructure and a world-class innovation economy. The city is home to some of the highest quality and most affluent neighbourhoods in the country but also some of the most deprived areas, with 8 wards falling into the 10% most deprived. The housing needs of its population are equally diverse.

3. What are the Housing Challenges

Sheffield currently faces significant housing challenges and needs to build 40,000 new homes over the next 20 years, of which half will be in the city centre and half in the suburbs. At present, only one third of the 902 affordable homes required per annum are being delivered.

Census figures indicate that the dominant housing tenure in Sheffield is owner occupation (59%), which is lower than the national average. The remaining housing stock is split across social housing, accounting for 25% of stock (58,000 homes), and 16% private rented housing. Of the 58,000 homes that are social/affordable rent, SCC holds and manages 39,000 of these units, with 19,000 units managed by Housing Associations.

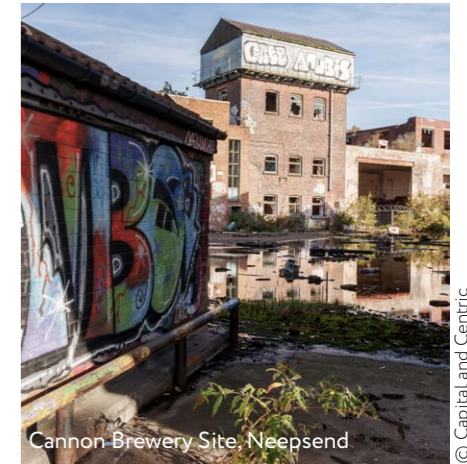
The limited recent delivery by Housing Associations (HAs) is a particularly notable characteristic; as at January 2022, only 500 affordable units have been delivered by HAs in the last 5 years. Reasons for this limited delivery include a lack of available sites and moderate engagement with SCC. It is also important to note that one third of new supply is for student accommodation, although the student population only accounts for 10% of residents within Sheffield.

There is a need for Sheffield to address these issues, rebalance housing delivery and ensure that the right type of homes are delivered in the right places, with the most important housing challenge for the city being the delivery of affordable homes. At the same time, delivery of higher quality and more aspirational housing will be crucial as the city continues to expand its economy so as to ensure suitable housing choice for skilled and higher earning households that Sheffield aims to attract.

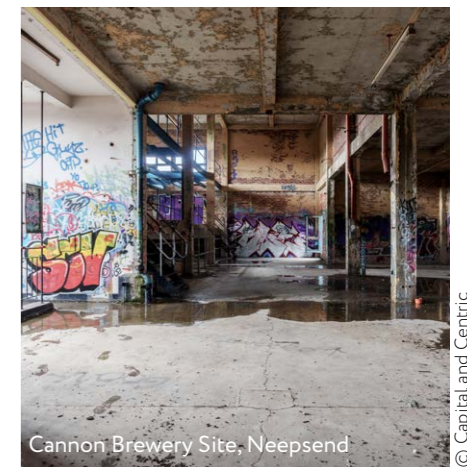
Whilst every place will have its own individual housing challenges and bespoke solutions will be required, the issues in Sheffield are common across many urban areas and as such it provides an ideal case study for housing-led regeneration and levelling up, which could then be replicable elsewhere. Future housing delivery will require new ways of working in and with SCC – and new long-term partnerships / approaches with Homes England and others to create and capture value. In June 2021 the Chair of Homes England, Peter Freeman, visited Sheffield and met with local stakeholders. All concluded that there were significant opportunities to accelerate the development of better housing to meet the city's needs.

Viability and demand are real constraints that current approaches struggle to address and over the past decade, most major regeneration projects in Sheffield have required some form of public sector intervention, primarily as a result of systemic failures in Sheffield land markets.

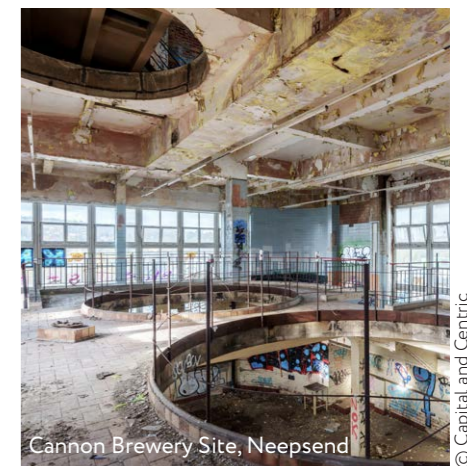
Housing is seen as a key vehicle to support economic growth and regeneration of the city centre while also supporting the neighbouring Advanced Manufacturing Innovation District ('AMID'). According to work by Icen Projects, between 1,994 and 2,323 additional homes per annum are needed to align with the local jobs growth target. Housing growth but also delivery of the right type of homes is now seen as a key element of Sheffield's economic ambitions.



Cannon Brewery Site, Neepsend



Cannon Brewery Site, Neepsend



Cannon Brewery Site, Neepsend

4. How did Partners Respond

Initial high level analysis by SCC articulated its requirements including a more spatial relationship with public sector partners and a joint business case approach. Homes England also improved its understanding of the place, having undertaken interviews with key partners to generate a think piece on housing growth.

This was subsequently followed by the establishment of the Sheffield Housing Growth Board in December 2021 with key objectives identified to address the city's housing challenges. The Housing Growth Board comprises a broad range of members with representatives from SCC, Homes England, SPA, the Combined Authority and the housing association sector. The Housing Growth Board meets four times per annum. A subset of the Board meet fortnightly on Thursday's to ensure activity remains on track.

The Housing Growth Board is supported by the Sheffield Housing Delivery Group with members drawn from SCC Housing, Property, and Planning teams; Homes England and the South Yorkshire Mayoral Combined Authority (SYMCA). By working more effectively together, partners can increase their focus on creating a shared pipeline of deliverable sites offered to housing associations and private developers.



Park Hill Flats, Sheffield

Within Homes England, a multi-functional team has been established, which draws expertise and support together from thirteen different teams from across the Agency:

- i. Cities and Major Conurbations
- ii. Economics
- iii. Affordable Housing Growth
- iv. Affordable Housing Strategy
- v. Acquisitions
- vi. Planning and Enabling
- vii. CPO
- viii. Contingent Assets and Liabilities
- ix. Disposals
- x. Development Finance
- xi. Infrastructure Loans
- xii. Infrastructure Grants
- xiii. and Comms. This group meets monthly and works toward the common shared mission of accelerating the delivery of new homes in Sheffield which are of the correct type, quantum and quality.

> *By working more effectively together, partners can increase their focus on creating a shared pipeline of deliverable sites offered to housing associations and private developers.*

5. Our Workstreams

Workstream 1: Sheffield Housing Pipeline

In order to accelerate market and affordable housing starts in Sheffield, there is a need to increase the supply of readily available 'deliverable' sites. However, in common with most other local authorities, SCC does not prepare, nor systematically manage, a housing land development pipe-line. This means that even when, statistically, SCC shows a five-year supply (as defined by government), the Council is not obliged to have a clear programme to ensure that land is being brought forward for private developers, housing associations and SCC itself to build.

The Council maintains a Housing Economic Land Availability Assessment ('HELAA') which consists of c. 1,500 sites with capacity for c. 40,000 homes. The database holds core baseline data on each site but lacks the level of granular data (e.g. site constraints) to enable a proper assessment of site deliverability and to understand whether any interventions are required to unlock each site. The database was also considered to not be fully up to date by developers and housing associations and a fairly inaccessible resource.

Workstream 1 was therefore formulated with a specific aim of producing a **shared and integrated land development pipeline to enable between 2,500 and 3,000 housing (all tenure) starts per annum over 3, 5 and 7 years (starting in April 22/23)**. This pipeline is key to bringing more housing development into the city.

The key deliverables for this Workstream are summarised below:

- > A prioritised Housing Pipeline;
- > The Housing Pipeline categorised by deliverability;
- > A manageable list of sites for targeted intervention;
- > An understanding of the extent of intervention required for each site to unlock delivery;
- > Timings more clearly understood of when housing sites might come forward; and
- > Identification of investment propositions for external investment.

A working group was established comprising officers from SCC and Homes England, with consultant support from Cushman & Wakefield ('C&W'). A two-stage methodology was proposed to establish the pipeline.

Stage 1: Filtering the Pipeline

The first stage involved the filtering and prioritisation of SCC's HELAA data by C&W. The early filtering utilised key criteria including site size and planning status to establish an initial "long list". Prioritisation criteria were then agreed in dialogue with SCC, to include strategic fit and geographical focus, links to other programmes, affordable homes provision and planning.

Two workshops were held with SCC to further interrogate and refine the long list. This process also resulted in the pipeline being divided into two different strands comprising individual "standalone" sites and grouped "clusters" where sites were assembled based on geographical and/or other strategic linkages.

Through this process, the 1,500 sites were refined to a manageable shortlist of 40 priority sites which may require targeted intervention in order to bring the sites forward for development. The stage one exercise resulted in an initial prioritised housing pipeline categorised by deliverability comprising:

- > 33 standalone sites with a capacity for 6,514 units
- > 7 clusters (comprising 56 land parcels) with a capacity for 5,937 units

Stage 2: Land Owner Engagement

The stage two work involved engagement with individual site landowners/ promoters/ developers to test and refine the range of intervention scenarios that are necessary to facilitate/ enhance delivery, and the preparation of high level Delivery Plans for each site which identify high level delivery strategies.

The engagement included interviews to understand the landowners aspirations, key site constraints and any blockages where public sector intervention may be required to unlock the site. A template site proforma/ delivery plan was completed to succinctly document the key site characteristics, ownership details, site constraints/delivery issues, stakeholders and their objectives, likely delivery mechanism and timescales, recommended next steps and potential public sector interventions for each site.

As at the end of Q3 2022, 18 land owner site interviews were completed, with a further 4 in the process of being arranged.

Opposite: Finchwell, South Yorkshire
Housing Association



Workstream 2: City Centre Strategic Plan

Prior to 2022, Sheffield did not have a vision for its city centre and a plan was not in place for how it might deliver 20,000 new homes on brownfield land in this space. A City Centre Strategic Plan would provide the vision to help accelerate the delivery of new homes in the Central Area and is intended to reset the City Centre by developing a strategy to re-populate and improve vibrancy through the creation of new, distinctive neighbourhoods.

Workstream 2 was focused on the preparation of a Central Area Strategy covering the 5 priority neighbourhoods and 3 catalyst sites which will drive regeneration within the city. The key deliverable for this Workstream is a successful Central Area Strategy covering the 5 identified locations.

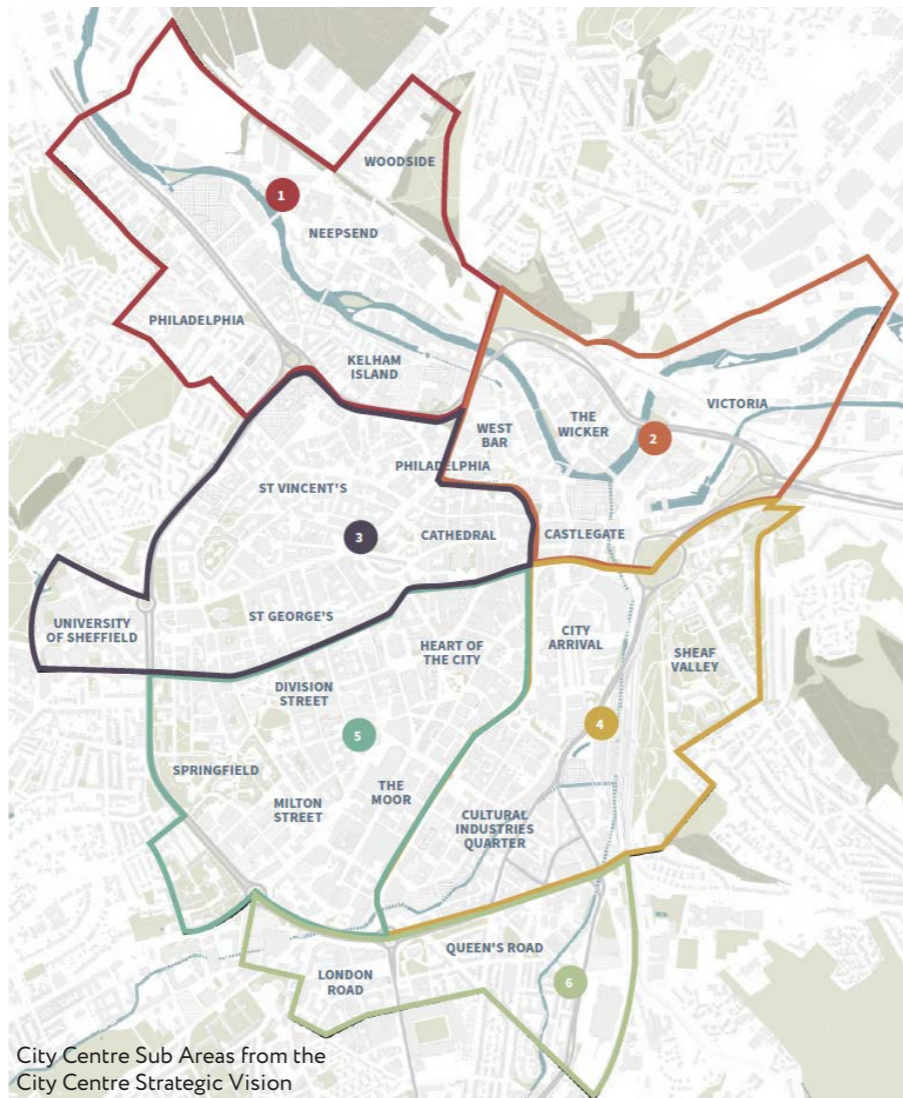
The study is generating two core output documents as summarised below.

A City Centre Strategic Vision

SCC and Homes England co-commissioned Deloitte to produce a City Centre Vision to set out the long term strategy for the area and key development principles. Public consultation was undertaken during January and February 2022 with 1,500 responses collected, of which 78% were positive. The City Centre Strategic Vision was approved by SCC and published in March 2022.

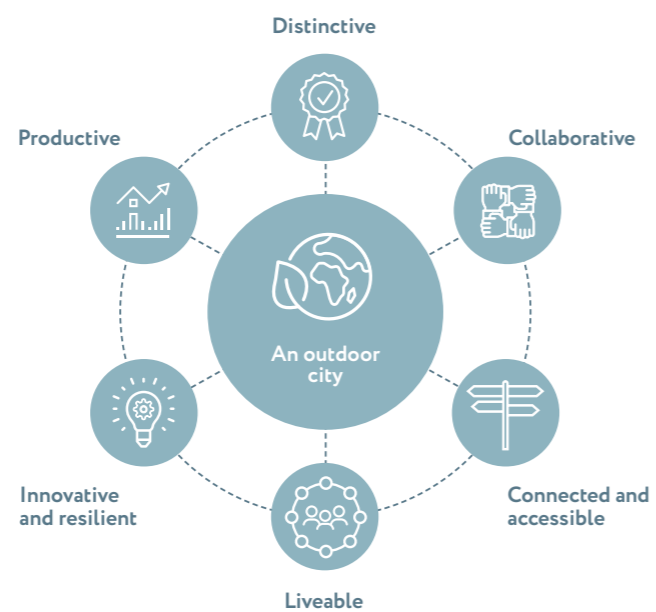
Development & Investment Frameworks

Development and Investment Frameworks will underpin the Vision – these are ‘technical’ neighbourhood plans comprising 5 Priority Framework Areas (‘PFAs’) and associated Delivery Plans, setting out the type of development that will be appropriate in each area. These areas are Moorfoot, Castlegate, Furnace Hill, the Wicker Riverside and Neepsend. The PFAs include a concept Masterplan and outline design principles to help shape new distinctive neighbourhoods and to guide future development in those areas. Within the PFAs, three catalyst sites are identified to kick start regeneration; (i) Moorfoot (ii) Furnace Hill, and (iii) Neepsend.



City Centre Sub Areas from the City Centre Strategic Vision

© Deloitte and Plantit



City Centre Vision (2022)

© Deloitte and Plantit



North Wingfield, South Yorkshire Housing Association

Workstream 3: Integrated Affordable Housing Programme

Sheffield is not currently delivering its affordable housing requirements. SCC has been building c. 200 homes per annum with a further 100 homes per annum being delivered by Housing Associations. This equates to roughly one third of the required 902 affordable homes per annum. A strategy to address the deficit in provision was urgently required.

SCC and Homes England agreed to explore how affordable housing growth opportunities might be expanded and accelerated through different ways of working. The core objective of Workstream 2 is to produce a five year rolling Affordable Housing Programme, which will ramp up to 1,000 affordable housing starts per annum. The key deliverables for this Workstream are summarised below:

- > Development of SCC's Stock Increase Programme including a list of sites for Homes England funding;
- > Engagement with the largest private housing associations in Sheffield and preparation of an Action Plan to increase delivery; and
- > Support the roll out of the wider South Yorkshire Housing Prospectus.

The Workstream has been broken down into 4 sub-programmes as follows.

Sheffield City Council's Stock Increase Ambitions

SCC is currently revisiting its ambition to deliver 3,100 affordable homes between 2018/19 and 2028/29, in light of build cost inflationary pressures, fire safety remedial requirements and net zero requirements. Notwithstanding this, SCC has worked closely with Homes England during 2022, to develop a number of proposals for consideration under the Affordable Homes Programme.

Housing Associations Survey & Action Plan

In February 2022, Homes England interviewed the Chief Executives and Development Directors of the 11 largest housing associations within the Sheffield area. These interviews identified a number of issues which had frustrated delivery to date. Following the interviews, an Action Plan with recommendations detailed 12 key actions to meet affordable housing targets. A Task and Finish Group was assembled to take forward the 12 actions, of which 8 were delivered immediately:

- i. The production of stock maps
- ii. sharing of future strategy
- iii. an update on the Local Plan
- iv. sharing of planning standards
- v. provision of contact lists
- vi. provision of dedicated relationship managers
- vii. an agreement of sweet spots for delivery for each housing association
- viii. and the progression of an infill sites programme with 280 small sites being assessed for suitability

for housing (see further comments below).

The 11 housing associations have targeted increasing their collective output from 100 affordable homes per annum to a combined 880 per annum.

Sheffield Housing Infill Programme (SHIP)

A housing infill programme is being advanced by SCC, with 280 small Council-owned sites being visited and around a half of these (126) being categorised as having housing development potential. Alongside exploring clustering potential, Homes England has sourced £225,000 funding support from the Get Council's Building Initiative to appoint consultants to help advance the next stage of this work.

South Yorkshire Housing Prospectus

The South Yorkshire Housing Prospectus launched in March 2022 demonstrates how housing associations can use their combined contribution to achieve more impact in the delivery of the housing priorities across the region. A new South Yorkshire Housing Partnership was formed in April 2022 to deliver five workstreams: Pipeline / Net Zero / Housing and Health / Economy and Homelessness.

**Workstream 4:
Delivery Locations**

Emerging 10 Sites for Public Sector Support

Taking the findings from the Pipeline work to date, alongside priority sites emerging from other work underway e.g. City Centre Vision, the AMID Land Supply Study, Sheffield Midland Report, a schedule of priority sites for residential development is emerging, with capacity for over 7,000 new homes:

1. Catalyst Site 3 – Neepsend/ Cornish Works, City Centre (1,005 homes)
2. Catalyst Site 2 – Furnace Hill, City Centre (846 homes)
3. Catalyst site 1 – Moorfoot, City Centre (2,120 homes)
4. Sheffield Rail station/Sheaf Gardens, City Centre (800 homes)
5. Attercliffe Waterside, Attercliffe (1,100 homes)
6. Darnall Works, Attercliffe (80 homes)
7. Mid-City House (298 homes)
8. Cannon Brewery (450 homes)
9. Milton Street, City Centre (137 homes)
10. Sheffield Testing Laboratories Ltd (268 homes)

Further analysis will likely refine this list over the coming 12 months.

> *By working more effectively together, partners can increase their focus on creating a shared pipeline of deliverable sites offered to housing associations and private developers.*

During Autumn 2022, Deloitte and Planit finalised the Development and Investment Frameworks, in readiness for them to be taken to SCC committee for endorsement. In support of this work, 3 detailed masterplans are being advanced in three priority locations as follows:

Catalyst sites 2&3: Furnace Hill and Neepsend Masterplan

Arup have been commissioned by Homes England on behalf of SCC to undertake master planning work to consider opportunities, constraints, development mixes and strategies for land use, transport, infrastructure etc. A Stage 1 report is anticipated for early 2023.

Land assembly is currently being progressed to acquire plots within the curtilages of the catalyst sites to enable comprehensive development. The key deliverables include conducting the due diligence on potential acquisition sites, brokering offers subject to approvals and securing sites for redevelopment.

In February 2022, a consultant team was appointed by SCC and Homes England comprising Arup/Savills/Turner & Townsend to undertake technical due diligence on the catalyst sites to provide high level estimates for vacant possessions, demolitions and abnormal costs.

A high level presentation was given to SCC and Homes England staff by the consultant team in June 2022 which noted substantial capital infrastructure funding would likely be required to take the sites forward. The acquisitions and partnering team had also visited the sites at the end of May 2022 to help plan/determine next steps. A subsequent land assembly strategy was prepared by Homes England and SCC for the catalyst sites, and discussions with a number of landowners of key plots were undertaken.



© Arup

Catalyst site 1: Moorfoot Masterplan

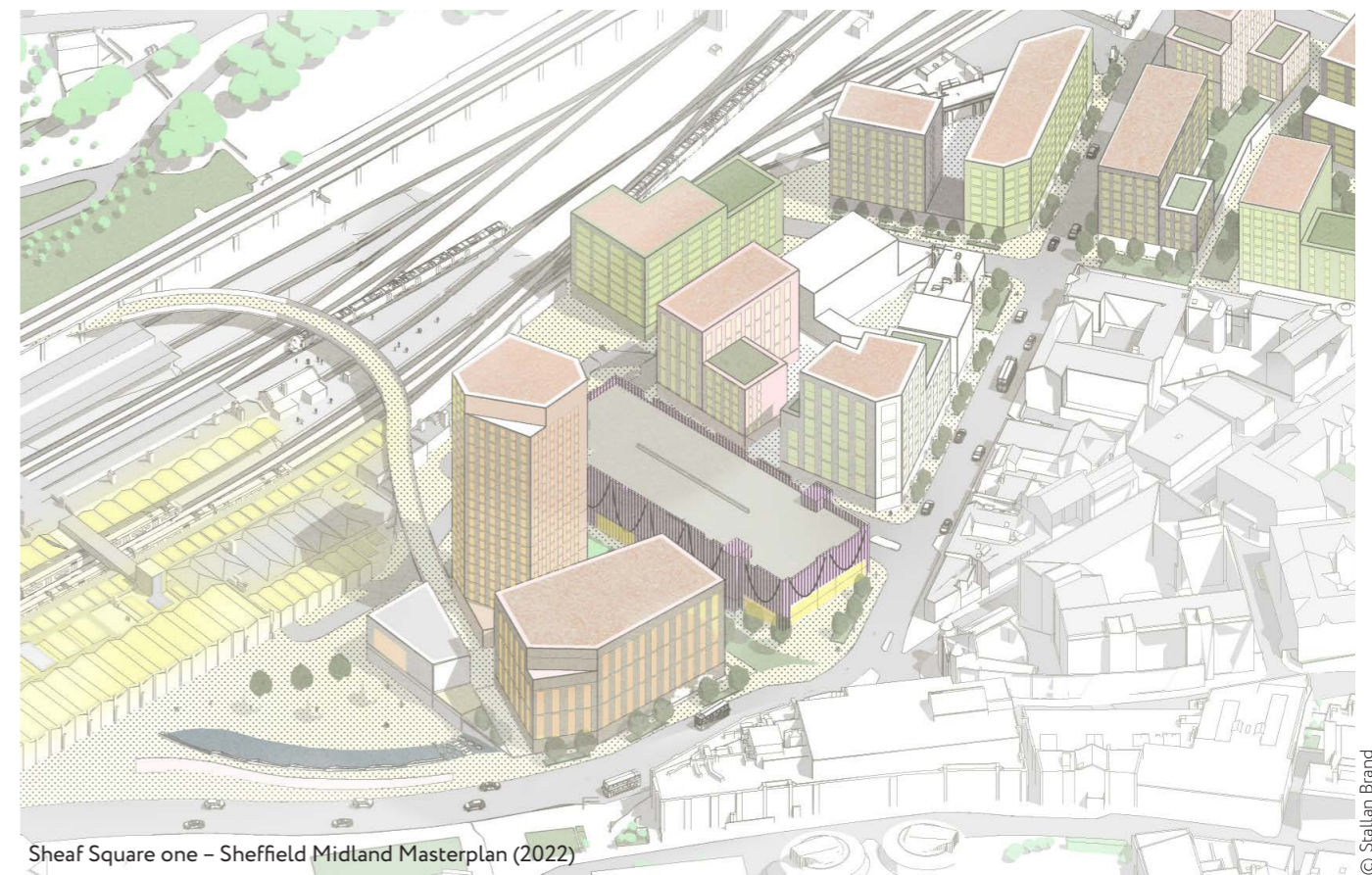
Homes England are commissioning master planning work at Moorfoot with the specification similar to Furnace Hill and Neepsend.

Sheaf Square Masterplan

Homes England are commissioning master planning work at Sheaf Square to consider factors including design development, a viability and acquisitions strategy, examine heritage constraints, produce a public realm strategy and optimise development plots.



© Arup



© Stalton Brand



6. Performance Tracking

Sheffield did not have agreed housing growth targets, nor a ready vehicle to track performance and to sanction any corrective action. Such proactive performance monitoring is crucial to ensure that the key objectives are being achieved and that mitigations are developed early on to address any emerging issues. The new Housing Growth Board provides this mechanism for quarterly tracking of performance against targets which includes starts and completions by year, tenure and location.

The Sheffield Issues and Options document published in September 2020 suggested that Sheffield's housing need was around 2,185 additional homes per annum. Sheffield was meeting this requirement and in fact exceeding it by c. 12% annually. However, in late 2020, changes to the standard methodology resulted in an increase of 35% to Sheffield's housing target, reflecting 2,973 homes per annum.

The Housing Growth Board met in March 2022 and noted that SCC had commissioned modelling work by Iceni Projects who advised that between

1,994 and 2,323 additional homes per annum are needed in the city across the 15 year Local Plan period (2024-2039), to align with local jobs growth targets. Following ongoing development of the Local Plan, the target has been adjusted to 36,000 over the next 17 years. This includes addressing the shortfall in the delivery of affordable homes with only one third of the c. 900 required units per annum currently being built.

The spatial strategy for new homes delivery is focused on brownfield land within key areas including the city centre. Of the homes to be delivered by the end of the new Local Plan period (2039), up to 20,000 homes are planned in the Central Area, with around 20,000 additional homes planned for the wider suburbs. At present, adopted planning policy does not require a percentage of affordable homes in the Central Area. The draft Local Plan changes this approach and will require a 10% requirement from adoption in late 2024. This approach balances the need for affordable homes in this locality against viability constraints.

In collaboration with SCC's housing growth team, annual targets were forecast by tenure across the city for reporting back to the Housing Growth Board. Draft targets were assembled for housing delivery within Sheffield and have been refined over the course of 2022.

As at Q3/Q4 2022, the landscape for housing delivery continues to face significant challenges including ongoing build cost inflation, the need to address fire safety issues arising from the Grenfell inquiry and impacts, supply issues and the route to net zero. Pressures in the sales market as a result of rising mortgage rates and the cost of living crisis may further reduce developer appetite for delivery. The draft supply table below continues to be refined and updated to reflect the evolving market conditions and also the latest Local Plan targets, SCC's ability to deliver its own SIP, the firming up of capacity within the land supply exercise and the maturing of SCC and the housing association community to commit to development targets.

Housing Completions - Categories	Year							
	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Private sector (a)	1,124	1,124	1,124	1,124	1,124	1,124	1,124	1,124
Student (b)	124	124	124	124	124	124	124	124
Affordable - Council & Housing Company (SIP) (c)	411	344	414	652	209	173	227	0
Affordable - HA's and RP's (d)	200	300	750	750	750	750	800	800
TOTAL ANTICIPATED GROSS COMPLETIONS (a+b+c+d)	1,859	1,892	2,412	2,650	2,207	2,171	2,275	2,048
Minus losses for demolition/ conversion/ change €	50	50	50	50	50	50	50	50
TOTAL NET SUPPLY	1,809	1,842	2,362	2,600	2,157	2,121	2,225	1,998
TOTAL NET SUPPLY CUMULATIVE	1,809	3,651	6,013	8,613	10,770	12,891	15,116	17,114
Anticipated Local Plan Requirement (Iceni)	2,150	2,150	2,150	2,150	2,150	2,150	2,150	2,150
Anticipated Local Plan Requirement (Iceni) CUMULATIVE	2,150	4,300	6,450	8,600	10,750	12,900	15,050	17,200
Number of dwellings above/ below requirement	-341	-308	212	450	7	-29	75	-152
% Performance relative to requirement	84%	86%	110%	121%	100%	99%	103%	93%

> Sheffield is England's fourth largest city, similar to many other regions across the country and owing at least in part to its post-industrial legacy, Sheffield has struggled to meet the housing needs of its growing and increasingly diverse population.

> The Sheffield Housing Growth Board was created to focus efforts on achieving housing targets and to implement key placemaking principles. The Board will also oversee performance and ensure that the delivery of new homes is balanced and meeting the range of housing need across the city.



7. Funding

A 'Single Conversation' arrangement is looking to allow more joined-up conversations around all funding programmes in the context of wider strategic growth opportunities in the area. An inception meeting was held in September 2022 with the aim to consolidate discussions on the performance projects associated with the various active funding streams

and provide a platform for a wider strategic discussion focussing on future regenerations plans and potential risks and challenges. This covered the following three areas: CLGU programmes, South Yorkshire Mayoral Combined Authority programmes, Broader Strategic opportunities. Below is an outline of the core funding programmes currently active:

Funding Programme	Value	Time Period	Projects Captured
Town Deal Fund	£24.1M	2021-2026	Stocksbridge
Future High Streets Fund	£15.8M	2021-2024	Fargate, City Centre
Get Building Funding	£10M	Tbc	£10m over two projects (Heart of the City, Barkers Pool and Fargate, City Centre)
Levelling Up Funding, Round 1	£20M	2021-25	Gateway £20M
Levelling Up Funding, Round 1	£17M	2021-25	Attercliffe £17M
Housing Infrastructure Fund	£3.2M	2019	Manner Cluster: 361 homes
Affordable Homes Programme	£13.8M	2016-21	Various
Home Building Fund, Homes England	£11.6M	2019	Walkley: £2M / 14 homes Oughtibridge Paper Mill: £3.7M / 40 homes Wharncliffe: £2.4M / 13 homes Eyewitness Works: £3.5M / 97 homes
Help To Buy, Homes England	£54.7M	2013-21	Various
NDC competition, DLUHC	£763k	2021>	Tbc
Local Growth Fund, DLUHC	£17M	2015-21	Multiple projects, e.g. £5m Olympic Legacy Park infrastructure; £4m Attercliffe highways improvements.
Brownfield Housing Fund, SYMCA	£53M	2020-2025	<p>Phase 1: 2020-2021 West Bar: £655k / 369 homes SHC Malthouses: £1.5M / 73 homes Porter Brook: £350k / 200 homes Allen Street: £546k / 120 homes</p> <p>Phase 2: 2021-2022 Attercliffe: £4M / 900 homes Park Hill 4: £5.6M / 95 homes</p> <p>Phase 3: 2022-2025 Pipeline under development</p>



Opposite: Eyewitness Works, Capital & Centric

8. Communications

A key aspect of the overall project is to implement a successful marketing strategy to raise awareness of the positive developments being made in the city and to improve the perception and image of Sheffield amongst the investor community. This will assist in promoting more inward investment which is vital to complement the extensive public sector work that is well underway. Another issue was the generally limited awareness of Homes England's products in Sheffield which was evidenced by low take up over recent years.

A communications workstream has been progressed to address this issue, firstly by developing a high level communications plan to support the housing growth programme and to look at key messages by intended audiences. This plan is now in place and is supported by a high-level marketing milestones schedule.

Secondly, a core aspect of the communications workstream is to raise awareness of HE products within the development community. This has included conducting the Sheffield Together Event for 70 members of the Sheffield Property Association and Sheffield's 40 resident Housing Associations, at which SCC and Homes England outlined their support offerings. A dedicated brochure was produced for the event, containing key programme details, and this was issued to every attendee.



Sheffield Together event at Cutlers Hall

A summary of the events that have taken place over 2022 is provided below:

- > **02/03/22**
Launch of the South Yorkshire Housing Prospectus, via an on-line event.
- > **25/03/22**
Sheffield Together event at Cutlers Hall, to promote Homes England funding products and launch the City Vision. Event facilitated by Sheffield Property Association.
- > **17/05/22 to 19/05/22**
UK Real Estate Investment and Infrastructure event. Dedicated Sheffield three-day stand, round table led by Sheffield CEX, and attended by the Sheffield Property Association and Homes England, alongside a Sheffield Investors breakfast.

Sheffield Investment Prospectus

The Sheffield Investment Prospectus was published in May 2022 and was used to support Sheffield's promotional activities at the UK's Real Estate Investment and Infrastructure Forum (UK REIF) held between the 17th and 19th May 2022.

> *A communications workstream has been progressed, to develop a high level communications plan to support the housing growth programme and to look at key messages by intended audiences.*

9. Levelling Up

Sheffield was named In February 2022 as one of the first cities to benefit from the government's Levelling Up programme, as set out in the White Paper.

Sheffield, alongside Wolverhampton and Blackpool, will be one of the first of 20 places to benefit from the government support that aims to transform cities and economies, create new homes, jobs, improve health, education and leisure facilities as well as roads and railways.

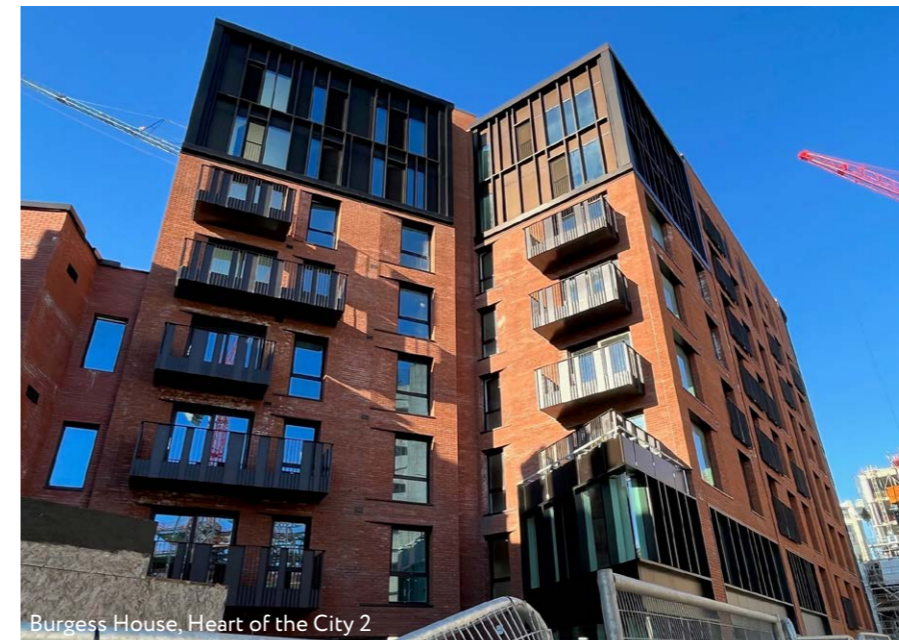
The plan aims to provide a streamlined strategy for government departments to work across, that ensures a well-coordinated approach with local city leaders, helping to bring about significant change, quickly. It builds upon work already in motion between city representatives and Homes England to form a collective approach to housing growth.

The Levelling Up White Paper identified 12 missions:

- i. Increase pay, employment and productivity.
- ii. Raise public investment in R&D.
- iii. Bring public transport closer to London standards.
- iv. Provide access to gigabit-capable broadband.
- v. Refocus education spending on disadvantaged areas.
- vi. Increase people completing high quality skills training.
- vii. Narrow the gap of healthy life expectancy.
- viii. Improve "well-being"
- ix. Increase "pride of place."
- x. Secure more first-time homebuyers/ reduce non-decent rented homes.
- xi. Reduce crime.
- xii. Devolution deals for those who want them.

Levelling Up activity will be overseen in Sheffield by a dedicated Sustainable Growth Board, comprising key city decision makers. The scope of the work will include:

- > Collaboration between Sheffield City Council, and Government Departments – with DLUHC acting as the Lead Government Department.
- > Assembling and delivering a programme of projects in Sheffield that will have a tangible impact upon the 12 Levelling Up Missions, and reporting on progress against these to an over-seeing Place Based Board.
- > Undertaking early feasibility and viability assessments to support projects that address the current market failures.
- > Identifying necessary funding interventions to address any identified viability and gap funding issues, including local infrastructure and service provision to unblock housing, economic and transport project proposals.



Burgess House, Heart of the City 2

10. Forward Look

Key activity over the coming 12 months is summarised below:

Advancing the pipeline of residential development sites

Following the completion of the stage two work for the standalone sites, stage three will help bring the identified sites forward for development. WSP has been appointed to work alongside C&W to progress identified interventions for each of the standalone sites. The high-level Delivery Plans will guide five core strands of intervention as next steps (to different degrees across the sites) as follows:

- > Technical Due Diligence
- > Planning Briefs
- > Viability Assessments
- > Brownfield Housing Fund Applications,
- > Marketing/disposal and commercial partner procurement.

Continuing to Support Housing Associations to Increase their Delivery in Sheffield

Following on from the round of interviews with Housing Association CEXs and Development Directors in early 2022, this exercise will be re-run in early 2023, to gauge progress with the stated intention of HAs to raise their combined output in Sheffield from c. 100 homes per annum towards an aspiration of 880 per annum.

Strengthening the Planning Framework

Sheffield City Council will continue to drive forward the adoption of its new Local Plan in 2023, which will provide certainty and assurance to developer partners wishing to invest in the City. The new draft Sheffield Local Plan will guide the future of the city by setting out how and where development will take place up to 2039. It is being called the 'Sheffield Plan' and, once it has been adopted, it will replace the Sheffield Core Strategy (2009) and 'saved' policies in the Sheffield Unitary Development Plan (1998).

Continuing to Focus on Priority Places

Partners will continue focus their energy in 2023 on the Catalyst Site areas agreed in 2022 – namely Moorfoot, Furnace Hill and Neepsend, alongside the Station area.

The acquisition of key plots will be advanced where possible, to enable viability to be improved and close the gap on these sites through strategic de-risking works and the securing of planning permissions. Discussions will continue with a number of landowners on key plots, with some talks already well progressed on a number of strategic properties.

Complementary Work

The coming 12 months will see SCC promote a new Housing Strategy and a Housing Growth Plan. These documents will sit within the emerging wider South Yorkshire Mayoral Combined Authority's Housing Framework. SCC will also be firming up plans around its sustainability and climate change route map for housing.

- > *Sheffield City Council will continue to drive forward the adoption of its new Local Plan in 2023, which will provide certainty and assurance to developer partners wishing to invest in the City.*



Opposite: Barkers Pool

11. Conclusions

2022 represents Year Zero for the Sheffield Place Based Housing Strategy, during which time new governance arrangements have been put in place and dedicated workstreams have been mobilised, with a view to activity becoming embedded in 2023 to drive delivery.

When looking back over the past 12 months, some notable achievements have been realised, as listed below:

> **A New Housing Growth Board** has been established for the City, chaired by SCC CEX. Partners represented include SCC, Homes England, SYMCA, SPA and key Housing Associations. This influenced the decision by Government to nominate Sheffield as one of first 2 priority areas for Levelling Up in the white paper published 02/02/22.

> **A Land Development Pipeline** has been prepared jointly by Homes England and the Council's Housing, Planning and Regeneration Teams, via workshops, which is capable of delivering 12,000 new homes. Landowner interviews have been progressed to understand their needs:

- i. marketing
- ii. planning briefs
- iii. Homes England Loan
- iv. Homes England Grant
- v. acquisition.

> **Extensive engagement** has progressed via focussed interviews with the 11 largest Housing Associations in Sheffield during Spring 2022. An Action Plan was agreed and an aspiration secured from the HAs to significantly raise their output from 100 affordable homes per annum to an aspired target of 880 new affordable homes per annum. Some 8 out of the 12 actions in the Action Plan have been delivered immediately.

> **The South Yorkshire Housing prospectus** has been published and workstreams are now in place to support delivery.

> **A City Centre Vision document**, co-funded by SCC and Homes England, was published March 2022 with strong public support, providing a clear blueprint for future delivery in the Central Area.

> **MasterPlans have been commissioned** for priority Catalyst sites, including: Moorfoot, Furnace Hill & Neepsend, alongside with the Sheffield Station area.

> **Land assembly discussions** have got underway with land owners to progress the Catalyst sites.

> **A large event was held on 25/03/22** to promote Homes England products (Affordable Homes Programme and Home Building Fund) and the Council's wider strategy for the area. Attendees included 70 local businesses and 40 local Housing Associations. This builds on existing Homebuilding Fund investment, including a place making exemplar at Eye Witness Works.

> *Sheffield City Council will continue to drive forward the adoption of its new Local Plan in 2023, which will provide certainty and assurance to developer partners wishing to invest in the City.*



Opposite: Cambridge Street Collective, Heart of the City 2

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