

# **Housing Growth Delivery Plan**

# 2025-2030



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# Foreword

Sheffield is a growing city, and this plan will set out the actions for Housing Growth in the city for the next five years. Stronger and sustained economic growth is the route to Sheffield being a more prosperous city. We are working to increase the growth of the city and ensuring that we are attracting skilled people, businesses and culture to bring them all together in one place. A huge part of ensuring growth is to ensure we match it with the housing needed to support a growing and economically strong city.

For people to succeed and be part of growth in the city, we need to build more homes and invest in infrastructure so they can live in and move around the city safely, affordably and sustainably. We want the city to grow in a way that benefits all our communities with an ambitious programme of affordable housing and providing different kinds of homes to suit different lifestyles to achieve this with new lifetime neighbourhoods.

Our Housing Strategy, The Sheffield Plan and this plan will enable us to increase the quantity of homes available and ensure that the quality of homes is improved, with homes built for the future. All these working together is critical to delivering the ambitions set out in our Council Plan, where we have made 'People, Prosperity and Planet' the focal point of everything we do. We want to see growing neighbourhoods that enable the city to prosper economically; this strategy is key to achieving that vision.



Eyewitness Works

# **Executive Summary**

#### **The Sheffield Plan**

'c.35,000 new homes over next 15 years.'

The Sheffield Plan will provide 313 sites allocated for Housing over the next fifteen years. The Plan will create a city where the benefits of development are felt across all communities and will deliver secure, connected neighbourhoods, with affordable homes in the right locations. By adopting a new Local Plan, Sheffield will provide more certainty for investment and drive-up standards and quality of new development.

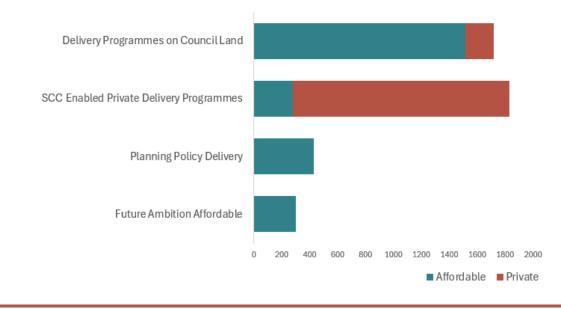
#### **The Housing Strategy**

'More Homes and Housing Choice'



#### Programmes of delivery over the next 5 years

Together with our delivery partners, the Council will deliver over c.4,300 homes through a mix of direct delivery, strategic interventions and enabling. These programmes align with our growth priorities set out in the housing strategy and Local Plan (the 'Sheffield Plan').



#### Affordable Housing

We aim to ensure that the benefits of economic growth in the city are felt across all communities an ambitious programme of affordable housing will deliver this. Partners across the city are collaborating to maximise the amount of affordable housing seen over the lifetime of the Sheffield Plan. Efforts to increase the number of affordable homes include: a council house building programme on our own land, the acquisition of units and land by partner organisations, disposal of land for affordable housing, changes to Planning Policy to boost affordable contributions and exploration of new funding options. We know the scale of affordable housing need in the city is huge and will work towards addressing as much of that need as possible through growth.

#### Widening the Housing Market

We know the number of new homes that the city needs to deliver over our Sheffield Plan period (2022-2039) – c.35,000 by 2039. We need to ensure that the types of homes that are delivered meet the needs of our residents. The development of new neighbourhoods in the City Centre is a fantastic opportunity to deliver a broader mix of new, lifetime, family homes in sustainable neighbourhoods to support our city's growth. Work to influence types of housing delivered across the city will continue in future years.



Kelham Central

# **Tenure Definitions**

Different tenures of housing are referenced throughout the document, for ease these are defined in the list below:

#### **Affordable Housing**

Affordable housing is housing that is for sale or rent, for people whose needs are not met by the market. It is a broad term used to describe a range of housing types, and the aim is to help individuals or households to more easily rent or buy a property. There are different types of affordable housing, and when this term is used in this plan it will refer to one or more of the following:

Social Rented Homes – are homes owned by local authorities or Housing Associations (registered providers) for which rents are determined by the national rent regime (through which a formula rent is determined by the relative value and size of a property and relative local income levels). These homes charge 'Social rent' which is usually the most low-cost way to rent social housing.

Affordable Rented Homes – are let by local authorities or Housing Associations (registered providers) to households who are eligible for social housing. Affordable rents are set at no more than 80% of the local market rent (including service charges).

These homes charge 'Affordable rent' which is usually more expensive than social rented homes and can mean they are unaffordable to some individuals or households.

**Rent-to-Buy** – where homes are offered, typically by housing associations, to working households at an intermediate rent which does not exceed 80% of the local market rent (including service charges) for a fixed period after which the household has the chance to buy the home.

**Shared Ownership** – a form of low-cost market housing where residents own a share of their home, on which they typically pay a mortgage; with a registered provider owning the remainder, on which they pay a subsidised rent.

**Discounted Market Sale** – a home which is sold at a discount of at least 20% below local market value to eligible households; with provisions in place to ensure that housing remains at a discount for future households (or the subsidy is recycled).

**First Homes** – a form of discounted market sale whereby an eligible First-time Buyer can buy a home at a discount of at least 30% of market value. Councils can set the discounts and local eligibility criteria out in policies.

#### **Private Housing**

**Home Ownership** –homes owned by their occupant outright or occupants who have a mortgage. This is the dominant tenure in the England.

**Private Rented** – are privately owned homes that are owned by a landlord and leased out to a tenant. Rents are determined by market forces. These properties could either be purpose built, **Build to Rent** properties or more traditional housing stock.

# Introduction

Our Housing Growth Delivery Plan sets out the actions we will take over the next five years to achieve the ambition in our Housing Strategy to deliver more homes and housing choice. The plan sets out the context for housing delivery on a local, regional and national level. The plan then shows how we will deliver against the Housing Strategy's five priorities in light of the context established. We have included an action plan that we will update annually and a delivery profile for each programme of work.

# **National and Local Context**

Delivering housing growth is set against a challenging backdrop. This section will illustrate the national, regional and local context and policy setting of housing delivery.

#### **The National Context**

#### **Housing Shortages**

There are not enough homes to adequately house the number of households in the UK. Research suggests that, compared to the average European country, Britain built 4.3 million fewer homes between 1955 and 2015. <sup>1</sup> No recent government have met their housebuilding targets, with delivery over the last 3 years at an average 199,103<sup>2</sup>, circa 100,000 homes short of the government ambition of 300,000 new homes per year by the end of the last parliamentary session. A new target of 370,000 new homes per year has been recently announced by the new Labour Government, further highlighting the need to build more homes.

This undersupply of housing is seen across private and affordable tenures and puts strain on all aspects of the housing market. This can be seen in increased overcrowding, insecure housing, higher rents and house prices, and poor-quality accommodation.

#### Affordability

Housing affordability has declined as a consequence of the shortage of homes in the UK. In 2023, the average house price was approximately 8.14 times average earnings in England and Wales.<sup>3</sup> In 1997, this ratio sat at 3.55, the widening gap between wages and house prices puts home ownership out of reach of many residents.

There is also a serious undersupply of affordable housing. The proportion of people living in social housing has dropped from 32% in 1977 to 9% in 2009<sup>4</sup> due to the Right to Buy scheme and a failure to build sufficient new social housing to replace homes lost from social stock.

<sup>&</sup>lt;sup>1</sup> <u>the-housebuilding-crisis.pdf (centreforcities.org)</u>

<sup>&</sup>lt;sup>2</sup> House building data, UK - Office for National Statistics (ons.gov.uk)

<sup>&</sup>lt;sup>3</sup> House price to workplace-based earnings ratio - Office for National Statistics (ons.gov.uk)

<sup>&</sup>lt;sup>4</sup> Table 102: by tenure, Great Britain (historical series) - GOV.UK (www.gov.uk)

Since 2011, with the introduction of Affordable Rents, there has been a significant reduction in the number of Social Rented properties built. Affordable rents are significantly higher than social rent levels and can be set at up to 80% of market rent.

A lack of affordable housing and the increased unaffordability of home ownership has resulted in more tenants being pushed into private rented accommodation. This increased demand, coupled with the supply issues seen across the housing market, has helped to push private rents to higher, unaffordable, levels. In England, average weekly rent has increased to £231 in 2022/23, up 51% since 2008/09.<sup>5</sup>

#### Quality

The Chartered Institute of Building reported in 2023 that approximately a third of customers surveyed view new build housing as poor quality.<sup>6</sup>

Space standards are low for new build properties. The 2015 Nationally Described Space Standard set minimum requirements for new build properties. However, the implementation of these standards was optional for Local Authorities through planning policy and subject to challenge on a site-by-site basis, rather than mandatory through Building Regulations.

In 2020 approximately 9% of all housing stock had a significant Health and Safety hazard in the home. Poor quality housing harms health outcomes and causes both physical and mental poor health. Estimates by BRE (Building Research Establishment) are that treatment of health problems caused by poor quality housing in England costs the NHS approximately £1.4 billion per year <sup>7</sup>

#### Environment

The housing stock in Sheffield is not energy efficient and this is a significant contributor towards carbon emissions, as housing accounted for 30% of the city's greenhouse gas emissions in 2022.<sup>8</sup>

With the introduction of the revised Building Regulations part L in 2023, new build housing will become significantly more energy efficient, however significant investment is needed to decarbonise to UK's existing housing stock. The median energy efficiency performance of existing stock is in band D EPC rating.<sup>9</sup>

The Labour Government may also introduce further policy changes to speed up delivering net zero homes, so developers must be geared up for this.

Alongside climate considerations, new home building must abide by recent environmental policy changes. Nutrient neutrality aims to reduce phosphorus and nitrogen pollution from negatively affecting natural areas. In a new house building context, this often comes from surface run-off from new developments and sewage / wastewater entering waterways. Unless mitigation measures are put in place, developments may be blocked. Biodiversity Net Gain (BNG) requires new developments

<sup>&</sup>lt;sup>5</sup> England: average private weekly rent 2009-2023 | Statista

<sup>&</sup>lt;sup>6</sup> Advice published for buyers after survey highlights concerns over new-build homes quality | CIOB

<sup>&</sup>lt;sup>7</sup> The role of homes and buildings in levelling up health and wellbeing - House of Commons Library (parliament.uk)

<sup>&</sup>lt;sup>8</sup> UK local authority and regional greenhouse gas emissions statistics - GOV.UK (www.gov.uk)

<sup>&</sup>lt;sup>9</sup> Energy efficiency of housing in England and Wales - Office for National Statistics (ons.gov.uk)

to increase biodiversity by 10% from baseline – this should be achieved on-site if possible, or off-site where this cannot be fully achieved. BNG will add to the cost of new home building.

#### **Macro Economics**

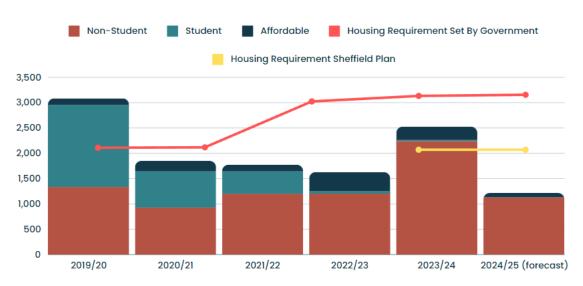
The impacts of Brexit, the COVID pandemic and the Ukraine War have all had an inflationary effect on the cost of construction work over the last five years. All three factors contributed towards cost increases through the requirement for shut-downs and distancing measures, and creating operational delays, labour & materials shortages (and consequential longer lead in times), requirements to stockpile, and fuel cost increases.

Demand for new housing has also been damaged by macro-economic conditions. The cost-of-living crisis and increased interest rates have resulted in a slowdown in the market. Mortgage approvals saw a significant drop, of up to a third below usual levels in 2023, as the impact of interest rates increasing to combat inflation was seen in the housing market.<sup>10</sup> There is a danger that if this drop in demand continues, developers will limit their output to maintain their expected prices.

#### **The Local Context**

#### 1. Housing Delivery Constraints

Housing delivery in Sheffield over the last 5 years was on average 2,343 units per year. There have been significant numbers of student housing built (24% of overall delivery in the 5 years) and not enough family homes delivered. The graph below charts this delivery by type, in relation to the annual housing need figure set by central government and the requirement proposed by the draft Sheffield Plan. Completions in 2023/24 are higher than previous years due to four large schemes completing within one year accounting for 47% of all completions.



# **Prior Years Net Housing Delivery**

<sup>&</sup>lt;sup>10</sup> Money and Credit - March 2024 | Bank of England

Note:- The Sheffield Plan sets out the need for 2,040 homes per year to support our growth ambitions and forecast population change. However, until the plan is fully adopted our target is set by central government - this introduces a 35% uplift on the base need. The Government is proposing to change the methodology which will remove the 35% uplift and, instead, base the need on a % of existing stock plus an adjustment for affordability

Challenges to delivery of new housing in Sheffield are:

#### a) Brownfield and Land Assembly Issues

Our city's industrial past often leads to challenging brownfield ground conditions. Sites often require remedial work to remedy contamination, unstable strata or challenging topographies. The draft Sheffield Plan has identified inner city brownfield land as the priority for housing delivery rather than building on the Green Belt.

#### b) Viability

Development viability in Sheffield has been a significant problem. Development is subject to the national macroeconomic inflationary pressures as well as the issues with land conditions more local to Sheffield. Average house prices are significantly lower than nationally, at £215,520 in February 2024, £65,000 less than the national average.<sup>11</sup> Historically, these two issues have combined to make development challenging but this delivery plan and the work of the Sheffield Together Partnership has begun to tackle this issue.

#### c) Building Standards

Our Sheffield Plan proposes that all new build domestic dwellings will need to meet Nationally Described Space Standards and be accessible and adaptable. Carbon reduction requirements are to be introduced in line with the described Building Regulation updates for Operational Carbon. Consultation is still ongoing on the targets for achieving net-zero Embodied Carbon.

Both increases to standards come with significant benefits to our housing stock but will ultimately add cost to development. One way to reduce the financial burden on developers is to work with banks on green mortgages, which are loans directed at funding energy efficient installations on the house. The mortgage can be linked to the house directly rather than to the borrower, so whoever owns the house pays off the green mortgage.

#### d) Net Zero Commitments

Sheffield City Council declared a climate emergency in 2019 and announced our ambition to become a net zero carbon city and Council by 2030. Following on from approval of the Housing Strategy 2024-2034, we will be developing a Residential Net Zero Delivery Plan, which will include the actions that we need to take to decarbonise our existing housing stock and reduce the environmental impact of new development. This local commitment, whilst challenging, is needed to ensure the country can meet statutory national net zero goals. All Local Authorities will be grappling with the same issue, but this can be overcome by innovative finance options, such as green mortgages and green bonds.

<sup>&</sup>lt;sup>11</sup> Contains HM Land Registry data © Crown copyright and database right 2020. This data is licensed under the Open Government Licence v3.0.



#### 2. Private Housing Mix

Our housing market predominately caters for private homeowners, with 58% of the city's housing stock being made up of this tenure. More 3 and 4 bed homes are needed for private sale to combat the risk of higher-earning families leaving Sheffield to live in neighbouring districts.

Sheffield has a growing private rented sector, 19% of homes in our city are of this tenure, although there is a lack of 2 bed homes in the private rented sector. More lifetime homes across all tenures are needed to meet demand from older households. Sheffield's older population is growing, with the number of residents aged 65 and over forecast to increase by 16% over the next ten years.

#### 3. Affordable Housing Delivery





Average delivery of 198 affordable units per year

Affordable housing is delivered through three main routes, each of which faces its own challenges:

#### a) Housing Association Delivery

There has been a lack of inward investment by Housing Associations (HAs) in Sheffield in recent years. Approximately c.280 affordable homes were delivered by Housing Associations in the five years between 2018/19 and 2022/23, an average of 56 homes per year. Historically, provision has been much higher with HAs delivering an average of 208 homes per year over the last ten years. Low levels of delivery are due to a variety of competing pressures. Housing Associations need to finance additional fire safety works post-Grenfell, more damp and mould protection since the Social Housing Regulation act of 2023, and net zero requirements. In Sheffield, land availability and viability challenges have further impacted delivery, whilst the Council has focussed on delivery of its own stock on council land.

#### b) Council Direct Delivery

The council has successfully delivered over 1,000 affordable homes in the last 5 years, through both new build on cleared sites and acquisitions of existing properties and new builds from private developers. This programme of delivery has driven affordable housing provision in the city but has not been enough to meet need. Future investment will need to balance investment in new stock with resources required for repairs and improvements to existing stock whilst remaining financially prudent. The Council will not be able to continue to provide the majority of new affordable housing in the city and will need to work more collaboratively with its partners.



Buchanan Green Older Persons Independent Living

#### c) Planning Policy – Section 106

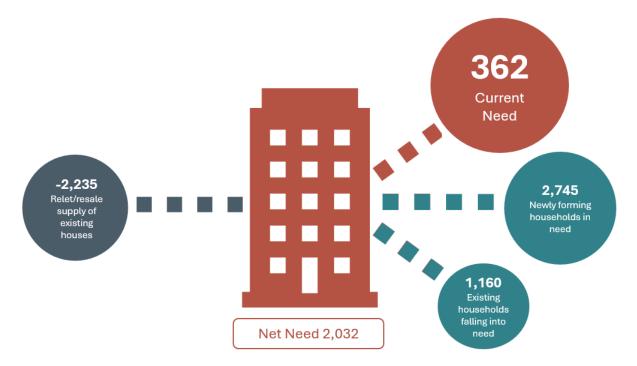
Section 106 of the Town and Country Planning Act allows Local Planning Authorities to require developers to deliver planning obligations to mitigate the impact of new developments on the local community and infrastructure. Sheffield asks for a contribution towards affordable housing provision where viable in the city. There were 228 affordable homes delivered through Section 106 agreements between 2005/06 and 2022/23, this equates to 5.4% of total affordable delivery. There have been

significantly more affordable homes delivered through S106 across Yorkshire (25% of total affordable delivery) and nationally (29%). There are fewer affordable homes delivered in Sheffield through planning policy due to the viability challenges seen in the city. Four housing market areas in the city currently require no affordable housing contribution due to the expected viability challenges, whilst only two require a 30% contribution.

#### 4. Affordable Housing Need

The recent Local Housing Need Assessment (LHNA) commissioned in 2024 to support the Sheffield Plan illustrates Sheffield's affordable housing need of 2,032 homes per annum. This new assessment is an uplift of 1,130 homes since the 2018 Strategic Housing Market Assessment (SHMA). Sheffield City Council is, like many local authorities, losing its affordable stock through tenants exercising their Right to Buy, further exacerbating affordable housing shortages.

The LHNA follows Planning Practice Guidance to identify the need for affordable tenures and forecast what the future need for these tenures will be, based on demographic modelling over the lifetime of the Sheffield Plan period. The diagram below illustrates how the net need for affordable housing is calculated:



The LHNA estimate of gross need is projected to be 4,267 homes p/a and the city's current affordable stock is projected to provide 2,235 homes towards that need per year. If Sheffield were to meet the net need for affordable tenures through growth alone, all of the targeted delivery in the Sheffield Plan would need to be affordable. New housing over the lifetime of the Sheffield Plan will need to meet all need in the housing market not just affordable need. We have strong economic growth ambitions that will need to be supported by housing delivery. Land availability and ownership alongside financial viability make the delivery of new build affordable homes at this scale unrealistic.

The net need for affordable housing is made up of four constituent parts: current need, newly forming households, existing households falling into need and the impact of relet/resupply of existing properties on meeting affordable need.

The estimate of the current need for affordable housing (where households have one or more housing problems, e.g. homelessness, overcrowding or concealed households) has been annualised over the lifetime of the Sheffield Plan. Both the newly forming households and the predicted existing households that may fall into need are estimated based on forecast house prices, income and wider economic factors.

The factors that impact affordable housing need are complex. Whilst it is clear that providing as many new build affordable homes as possible will be vital in meeting affordable need, need can't be met by growth alone. The wider economic factors that influence affordable housing need play a significant role in the projections of housing affordability. Over the lifetime of the Sheffield Plan, these economic factors will change and the Council will be focussing its efforts to boost economic growth. We will be making improvements to the existing social housing system to reduce the number of empty properties, reduce turnaround time and to improve the suitability and sustainability of tenancies. Through these efforts, as well as an ambitious set of housing growth programmes, we aim to tackle affordable housing need through a variety of means.



Slingsby Place By South Yorkshire Housing Association

# **Policy Context**

# **National Policy**

Key national policy drivers in 2024 with significant legislative change are:

1. National Planning Policy Framework (NPPF) – At the time of writing, the government has announced a consultation to alter the NPPF to bring in mandatory housebuilding targets. For Sheffield this will mean a requirement to deliver 2,667 new dwellings per year. Local Authorities will be asked to review their Green Belt to release 'grey-belt' sites that could help deliver their housebuilding requirements if brownfield land in the urban areas will not meet this need.

#### 2. Environmental Legislation

- a. Biodiversity Net Gain (BNG) Set out in the Environment Act (2021) and became mandatory in February 2024, BNG makes sure that habitats for wildlife are left in a measurably better state than they were before development. A 10% biodiversity gain is required.
- b. Nutrient Net Neutrality. "Habitats Sites" are protected under the Habitats Regulations 2017. Any new development must not negatively impact these sites' nutrient levels. This legislation ensures that the level of phosphates and nitrates entering these sites through wastewater is not increased.
- **3. Social Housing (Regulation) Act** received royal ascent in July 2023 and established a new regulatory framework for the sector. Customer protections have been enhanced with the implementation of consumer standards. Landlords will be more accountable and the regulator for social housing has a much wider remit for enforcement.
- **4. Renters' (Reform) Bill** at the time of writing, this Bill is progressing through parliamentary scrutiny. It will change the law about rented homes, exact dates on when changes will come into force are to be confirmed.
  - a. Section 21 "No-fault" evictions These evictions are expected be banned and the government claims that this will improve the security of tenancies for those in the private rented sector.
  - b. Standards Decent Homes Standard and Awaab's Law are expected to be extended to cover private rented housing. This will increase the quality and standards of housing in the sector.
  - c. Bidding Reforms & In-tenancy rent increases have been proposed to increase transparency on rent and deposits.
  - d. Reducing discrimination bans on tenants with children or those in receipt of benefits will be abolished.
- 5. Supported Housing (Regulatory Order) Act will require local authorities to review local supported housing requirements and develop strategies for delivery. The act will set minimum national standards for supported housing and require providers to obtain a licence to manage supported housing.

6. Building Regulations mandate the standard developments are built to. The latest update, that came into force in June 2023, included new standards to reduce the level of carbon emissions. This is expected to add cost to any new build scheme. Any new build scheme commencing after 2026 will be required to meet the anticipated Future Homes Standard 2025 Building Regulations update, adding the capacity for net zero in operational carbon when the grid decarbonizes. This could add further construction cost per new home, although this could be offset through innovative finance mechanisms such as green mortgages.

# **Regional Policy**

The South Yorkshire Mayoral Combined Authority (SYMCA) is an important partner in facilitating the delivery of housing growth in the region. Housing plays an important role in realising the authority's ambition for a stronger, greener, fairer economy and society. SYMCA's Housing Framework sets out the vision for Housing.<sup>12</sup>

The mayoral authority is committed to delivering affordable new homes for sale and rent, focussing on urban centres with a focus on brownfield sites – which is in line with SCC's Sheffield Plan site allocations.

#### SYMCA's Vision for Housing in South Yorkshire:

"To ensure that everyone has access to good quality, warm homes that are affordable and meet needs, whilst helping achieve our ambitions for a net zero economy and sustainable, attractive places to live, work and invest. We will strive to raise both the energy efficiency of existing homes and the design quality and environmental standards of new housing, with a particular focus on new housing supporting both regeneration and the repurposing of our urban centres."

#### Homes England - Strategic Place Partnership

SYMCA's Strategic Place Partnership (SPP) with Homes England was announced in early 2024. The SPP will drive partnership working across South Yorkshire forward and hold all partners to account. The SPP will set out thematic and spatial priorities, including a delivery and resource plan which identifies who's doing what and when.

The key objectives for the SPP are to increase the supply of high quality, energy efficient and affordable homes to meet the region's housing needs, to accelerate that housing delivery, and support local areas in developing their area-based growth and regeneration solutions around places.

#### South Yorkshire Housing Partnership

Housing Associations have come together in South Yorkshire to work collaboratively as the South Yorkshire Housing Partnership and are aiming to improve delivery. There are 6 Housing Associations in Sheffield that are Strategic Partners of Homes England which enables them to receive higher grant

<sup>&</sup>lt;sup>12</sup> <u>Appendix A Draft Housing Framework.pdf (southyorkshire-ca.gov.uk)</u>

rates and more flexibility in applying the grant to schemes. Across South Yorkshire, in 2020/21, Housing Associations built 283 new homes in the region. This represents 8.7% of the 3,266 net additional dwellings recorded in in the region in the same year.

# **Local Policy**



#### The Sheffield Plan 2022 – 2039

Our Local Plan (the Sheffield Plan) sets out how and where the city will develop over the next 15-20 years and aims to create a city where the benefits of development are felt across all communities. By allocating land for development, the new plan will enable the planning of new infrastructure more effectively. We set out a vision for Sheffield, by 2039, to be "an economically stronger, fairer, more inclusive and sustainable city. It will be playing a nationally significant economic role at the heart of its region, with thriving neighbourhoods and communities, and have a distinct urban and rural identity.".

#### The Housing Strategy 2024 - 2034

Our Housing Strategy sets out the overarching strategy for housing in the city over the next ten years, with a clear vision for "Everyone in Sheffield has a home that supports good health and is suitable for their needs and aspirations. We want people to have more housing choice and better access to a home which is safe, affordable, and ready for a changing climate". The strategic focus is on tackling housing inequalities and discrimination, strengthening our preventative role to achieve positive health and housing outcomes for our communities.

In this strategy we set out five ambitions for the city's housing by 2034. This delivery plan focusses on how we achieve the ambition to deliver **more homes and housing choice**. Within this ambition, the strategy identifies five priorities that we will focus on to achieve our ambition:

- 1. Increase the range of good quality homes for all residents,
- 2. Create new lifetime neighbourhoods in and around the city centre,
- 3. Accelerate Regeneration,
- 4. Increase affordable housing provision,
- 5. Build homes for the future.

Our Housing Growth Delivery Plan describes how we will deliver the growth ambitions described in our Housing Strategy through the sites made available for housing in the Sheffield Plan to deliver inclusive housing growth across each of those priorities.

#### The Council Plan "Together We Get Things Done"

In the Council Plan, we have made people, prosperity, and planet the focal point of everything we do; the important things to consider when taking the next steps for our city. Delivery of our housing ambitions also contribute to the delivery of the City Goals. The Goals set the direction for Sheffield as a whole, giving a collective vision for the city to become in ten years' time. The Goals build on the existing strengths of Sheffield but rely on the combined effort of the city to play a role and contribute so Sheffield is a city of thriving communities by 2035.

#### **Sheffield Together Partnership**

The Sheffield Together Partnership is comprised of Sheffield City Council (SCC), Homes England (HE), the South Yorkshire Mayoral Combined Authority (SYMCA), the Sheffield Property Association (SPA) and members of the South Yorkshire Housing Partnership (SYHP). The partnership established a Housing Growth Board in December 2021 which aims to accelerate the delivery of new housing in the city. Partners have an agreed mission to build the correct type, quantum and quality of new homes in the city and will collaborate to unlock delivery of new homes across the city.

Partners have developed a joint Housing Pipeline of sites and a five-year rolling Integrated Affordable Housing Programme aims to ramp up affordable housing start on sites across the city.

# Housing Growth Delivery Programmes- 2025 to 2030

The Council will contribute to the development of new affordable and private homes through direct delivery, procurement, enabling and facilitating c.4,850. We expect the private market to contribute c.5,750 over the next five years. In total, we anticipate c.35,000 new homes over the lifetime of the Sheffield Plan.

SCC Enabled Affordable c.2200	Future Ambition Affordable c.850	SCC Enabled Private Delivery c.1800	Private Market Delivery c.5750	
Delivery programmes on Council Land: Stock Increase Programme (New Builds & Acquisitions) - This programme is a mixture of direct delivery on Council land and acquisitions of existing and new build homes including Sheffield Housing Company homes.				
Council Land Disposals: - Disposal of Council Owned Land for 100% Affordable housing - A programme of disposals of larger development sites to support affordable housing delivery. We will				
specify requirements for the sites and procure partners to develop and manage the affordable homes				
- Small Sites Programme – A disposal programme for smaller (under 10 homes) parcels of land in Council ownership. Development benefits local communities, boosting regeneration efforts, reducing opportunities for anti-social behaviour.				
- Disposal of Council Land for mixed tenure - A disposal programme of Council owned land (large sites) for mixed tenure developments. Sites will support affordable housing				
delivery over planning policy, but local housing market needs or viability issue necessitate a mixed tenure approach.				
SCC Enabled Private Delivery Programmes:				
<ul> <li>City Centre Strategic Vision Delivery:</li> <li>City Centre Priority Neighbourhoods - The Council is committed to working in partnership to enable the delivery of the 5 Priority Locations illustrated within the City Centre Strategic Vision (Neepsend, Furnace Hill, Moorfoot, Wicker Riverside and Castlegate) which will deliver a range of types and tenures of new homes.</li> <li>City Centre Key Areas of Regeneration - Station Campus, Devonshire Quarter, West Bar, Parkhill.</li> <li>Suburban Regeneration: Housing-led regeneration schemes to improve the variety of housing on offer and revitalise existing neighbourhoods. This includes Housing Association acquisition and development and will continue to play an important role in affordable housing provision in the city.</li> </ul>				
Sheffield Housing Company - A joint venture regeneration vehicle established in 2011 between Sheffield City Council and Keepmoat/ Great Places.				
Planning Policy Delivery:				
Planning Policy S106 - A contribution towards affordable homes required from private developments.				
Further Delivery Ambitions:				
Planning Policy Plus - We will continue to work with partners to increase affordable housing to achieve more than planning policy.				
Future Opportunities - We will continue to work across all workstreams and partnerships to increase affordable housing opportunities. Annually updating our action plan as new funding and national policy changes emerge.				
Total SCC Enabled Delivery Affordable (c. 2,200), Future Ambitions Affordable (c.850) and Private homes (c.1,800): c.4,850				
Private Market Delivery: c. 5,750				

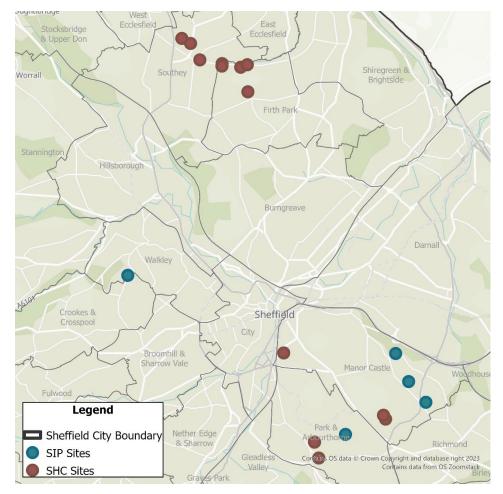
# Priority 1: Increase the range of good quality homes for all residents

## Introduction

The Housing Strategy's first priority is to increase the range of housing in the city:

Increase the range of good quality homes for all residents – through strategic partnerships, encouraging private and public sector collaboration to invest in new housing developments, and unlocking more development opportunities.

This section of the delivery plan outlines how we intend to increase the range and quality of housing in our city. We will utilise a range of delivery mechanisms and policy levers to achieve this priority. Success will address concerns of quality in the new build market and improve the energy efficiency of new homes. Direct delivery and facilitation of the private market will also help to provide different types of housing to meet the need identified in our Older Persons Independent Living Strategy and Specialist Accommodation Review.



# **Delivery Mechanisms**

#### **Sheffield Housing Company**

The Sheffield Housing Company brand is now established and SHC acts as a benchmark for excellence both locally and nationally – demonstrating that high quality housing can be commercially successful in less desirable housing markets. This approach acts as an example to the private market, ultimately improving quality across the city.

SHC homes provide generous space standards which give support for customers with different needs and offer enough living space to accommodate change across a resident's lifetime.

The Council's involvement in SHC allows us to influence local housing markets in the city (at Manor, Parson Cross and Norfolk Park). We recommend percentage splits for types of housing on sites to meet identified need and look to acquire more affordable housing on some sites to create mixed tenure estates.

Sheffield Housing Company has six sites remaining in its development pipeline before it is due to end in 2026. We will continue to support the company with land and resources to encourage delivery as efficiently as we can. The company has a track record of over 10 years of successful delivery and once the existing partnership ends, we will explore ways to build on this track record of delivery.

#### Direct Delivery - Stock Increase Programme

The Council's direct delivery of affordable housing will continue to assess housing need when master-planning sites. This workstream will deliver extra care, affordable rented homes and shared ownership where local need is identified.

There is a need for additional temporary accommodation in the city to help to address the Council's duty to provide accommodation for those covered by legislation. Without purpose built temporary accommodation, the undertaking of this statutory duty is a significant financial challenge. We are exploring the most financially viable way to provide more temporary accommodation.

#### Facilitation

Delivery through our own direct delivery programmes and jointly owned vehicles and land we intend to dispose of is not the only way we can influence the type and quality of housing. The Council will play a role in facilitating and encouraging the range and quality of housing needed across Sheffield.

#### **Planning Policy**

The draft Sheffield Plan will set new standards on the minimum size properties need to adhere to (the Nationally Described Space Standards) as well as ensuring that homes must be adaptable and accessible. Policy will also ensure that the types of homes to be delivered will be mixed to provide more suitable homes for a variety of residents. This uplift in standards will ensure that the new housing developed over the Plan period will be more suitable for future needs.

#### Older Persons' Independent Living Strategy and Specialist Accommodation Review

We will provide information to developers on local need for specialist accommodation, proactively encouraging landowners and developers to consider developing housing that is suitable for those with specialist needs in areas where our strategy indicates we have a significant shortfall. This would include options across social rented and private sectors as there is a shortfall of this type of accommodation.

More detail on this approach will be provided in the upcoming Older Persons' Independent Living Strategy and Specialist Accommodation Review. These strategic documents will set out the need for specialist accommodation and will be used to demonstrate demand.



Buchanan Green Older Persons Independent Living Scheme

# Priorities 2 & 3: Accelerate Regeneration and develop New Lifetime Neighbourhoods



### Introduction

For the purposes of the Delivery Plan the Housing Strategy's second and third priorities to support the creation of new lifetime neighbourhoods and accelerate regeneration are shown together:

**Create new lifetime neighbourhoods in and around the City Centre** – including an attractive offer for later living and downsizing households, more affordable housing, and more homes suitable for families located in neighbourhoods with low to mid- building heights.

**Accelerate regeneration** – by redeveloping catalyst sites within priority neighbourhoods and reviewing existing homes, buildings and land with the potential to expand the types of homes across the city and shape the places where we live.

The Council will use its landholdings, planning powers and its role as a civic leader and coordinator to drive the development of the City Centre Priority Neighbourhoods and specific local areas outside the City Centre. The Council will kick start regeneration, unlock investment from partners and developers and set high standards in terms of quality, sustainability and comprehensive regeneration.

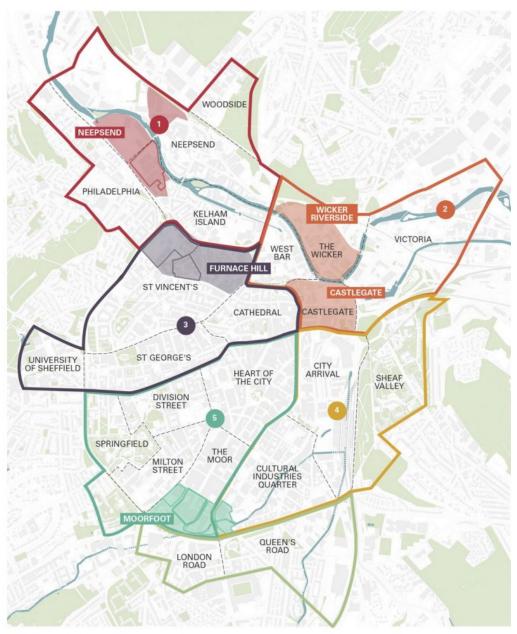
The primary focus for housing growth in Sheffield is the city centre: the City Centre Strategic Vision and draft Sheffield Plan set out the ambition to transform the City Centre through the development of around 20,000 new homes. This plan to improve the vibrancy of the city centre is only achievable through the creation of new, distinctive neighbourhoods where people want to live. The range of housing on offer in the city centre will need to balance the need to be efficient with land against the need for a diverse offer of types of home, including mid-low rise family housing.

In addition to the focus on the City Centre, there is a need to improve the housing offer across Sheffield. Plans in Gleadless Valley and Attercliffe are detailed below and demonstrate how we will collaborate with partners to boost housing growth in these areas.

The plans for regeneration will be centred around developing sustainable, lifetime communities that are suitable for residents with a range of needs. Residential development will go hand in hand with infrastructure and services to meet needs and support lifetime neighbourhoods. The Council will supplement these efforts to develop new lifetime neighbourhoods by supporting appropriate development in existing neighbourhoods too. Through planning policy introduced in our Sheffield Plan we will encourage more adaptable and accessible homes and we will engage with developers to encourage development that meets the needs of our residents.

# **City Centre Priority Neighbourhoods**

The Sheffield Plan identifies 5 Priority Locations for new housing in the City Centre, supported by a Priority Neighbourhood Framework for each location.



Sheffield City Centre Site Location Plan illustrating: 6 City Character Areas, 23 Neighbourhoods, Priority Location Areas and Catalyst Sites

Our masterplan approach considers the surrounding context, location and role within the wider city context with each of the 5 priority neighbourhoods having a heart with amenity space, local facilities and infrastructure all within walking distance.

#### Neepsend – c.1,600 new homes

A riverside neighbourhood that epitomises the Outdoor City and brings families into the centre with capacity for c.1,600 homes. The neighbourhood includes a Catalyst Site of c.500 new homes, with a further c.1,100 homes, concentrated at Cannon Brewery (c.550) which has received outline planning permission in Summer 2024 and Neepsend Riverside (c.370), which is being progressed through planning.

#### Furnace Hill – c.2,000 new homes

A hillside neighbourhood with a mixed demographic that provides a transition between the student dominated St Vincent's and the increasingly higher end housing in Kelham Island. Capacity for c.2,000 new homes from 25 allocated housing sites within the Priority Location which are expected to be delivered over a c.15-year period Neepsend and Furnace Hill are adjacent Priority Locations considered together for the purposes of developing a business case for government funding, via Homes England, and a Development Framework for the purpose of developer partner procurement, starting in Autumn 2024. £67m was secured by Homes England in March 2024 for the acquisition and redevelopment of sites.

#### Moorfoot - c.2,000 new homes

A gateway neighbourhood, with opportunities for height and major new public spaces, centred on the Council's Moorfoot Building, which is intended to be remodelled for housing. With capacity for c.2,000 new homes the master planning will inform the Homes England business case for government funding and, if successful, developer partner procurement would begin in 2025. Homes England progressed a strategic acquisition within the Catalyst Site in 2024.

#### The Wicker – c.800 new homes

This area has capacity for c.800 homes in a mixed-use neighbourhood which are expected to come forward over a c.10-year period. The council has significant land holdings here, including Nursery St and Windrush Way, and are working with the private sector to encourage and promote development in line with the Priority Neighbourhood Framework. Privately led Laurel Works (267 homes), which has secured Brownfield Housing Fund support from SYMCA will provide a catalyst, with other landowners and developers actively pursuing land assembly elsewhere in the neighbourhood.

#### <u>Castlegate – c.</u>900 new homes

Castlegate will evolve into an innovation district for Sheffield, benefiting from the site's proximity to the City Centre and access to the public transport network and the universities. The current focus, after securing £20m of Levelling Up Funding, is the regeneration of the former Castle and Market site. This will provide high class public realm around which to develop a mixed-use neighbourhood with the capacity for c.900 homes in the medium term over a c. 5 year period from 2029/30.



Furnace Hill

A set of 10 principles to guide future development and to set the tone for what those new neighbourhoods should look and feel like are the foundations that will drive the delivery of a series of differentiated neighbourhoods, establishing new communities, whilst meeting the needs of those that will be living, working and playing there in the future.



Underpinning the masterplans is a set of city-wide assessments covering vehicular traffic, public space and pedestrian connections, education, public transport and cycling and social infrastructure as we recognise that creating liveable and vibrant neighbourhoods needs easy access to local/community facilities, green space, play, recreation, social and transport infrastructure.

#### **Three Priority Locations with Council led Catalyst Sites**

The Council is working in partnership with Homes England to kick start regeneration within three of the Priority Neighbourhoods through the acquisition and development of 'catalyst sites', which present the greatest opportunities to accelerate residential regeneration.

- Furnace Hill Catalyst Site of c.800 new homes which could be delivered between 2028/29 and 2032/33.
- **Neepsend** The neighbourhood includes a Catalyst Site of c.500 new homes which are expected to be delivered over a c.5-year period,
- **Moorfoot** Capacity for c.2,000 new homes within the Catalyst Site, which encompasses all the potential new build sites within the Priority Location. This could be delivered between 2029/30 and 2039/40.

## **City Centre Regeneration Areas**

#### **Station Campus**

Development of the Station Campus area will act as a new gateway to the city with capacity for approximately 950 homes and 20,000 sqm of commercial floorspace.

Partners include Homes England, London & Continental Railways, Network Rail and the Council, who are working together to bring forward this redevelopment. Land in this area is allocated for employment, housing and mixed use in the draft Sheffield Plan, with c.950 homes would be expected to come forward over a 15-year period from 2029 onwards.

#### West Bar

West Bar is a major mixed use regeneration scheme with 368 new homes to be provided alongside high-quality workspace and public realm, expected to complete by the end of 2024.

#### Devonshire Quarter: Milton St neighbourhood

Milton St is an emerging residential neighbourhood within the wider Devonshire Quarter, which has capacity for c.1,000 new homes. Schemes by Capital & Centric, Moda and SkyHouse are under development, accounting for 567 of those homes.

We have significant land holdings here at Fitzwilliam St, Milton St and Hodgson St and will use them to ensure a balanced mix of types and tenures in the area. The remaining homes would be expected to come forward over a 5-10 year period.

#### **Park Hill**

Park Hill's ongoing redevelopment creates a gateway to the city through development of a vibrant place where people want to live, work, and relax. The vision for the estate is a mixed community with flats for sale, social rent, and shared ownership to tackle the neighbourhood's housing market weakness. The redevelopment of Park Hill will strengthen the connectivity between Park Hill and the City Centre, between City Road and Duke St and the wider Station Campus area. Development has been split into phases, with phases 1-3 complete, and phases 4 and 5 in development. The final phases of development will see a further 237 new homes, including new affordable housing, providing a vital contribution to the housing growth needed in the region. Development of an adjacent site by Sheffield Housing Company will strengthen regeneration efforts.



Park Hill

# Suburban Neighbourhoods

#### Attercliffe

Attercliffe's potential for housing development was highlighted as a future workstream within the Sheffield Together Partnership. This drew together partners to develop a strategic, long term and place-based relationship to accelerate the delivery of new homes under one banner.

Attercliffe links the City Centre to the Advanced Manufacturing Innovation District and serves as a key gateway into the City Centre from the M1 and the east. The area suffers from poor perceptions currently and a masterplan is seeking to rebrand and renew the area, building on the opportunity presented by £17m of Levelling Up Funding and the c.950 home Attercliffe Waterside scheme. This scheme is being delivered by our developer partner Citu with support from SYMCA's Brownfield Housing Fund. In total, the masterplan area has capacity for c.2,000 homes.

The main ambition is now to deliver the next piece in creating a successful community with placemaking at its core. Attercliffe provides an opportunity to become Sheffield's newest, sustainable, well connected, and attractive lifelong neighbourhood, set amongst the area's industrial heritage and waterside location. The vision is for Attercliffe to become one of the most exciting places to live, work and play within Sheffield.

- Phase 1 of Attercliffe Waterside (362 homes) is due to start on site in 2024
- An Attercliffe Partnership Board has been set up, chaired by local MP Clive Betts, which Homes England attend.
- Homes England has commissioned a rebranding exercise for Attercliffe
- The 2,000 homes would be expected to come forward over a 3-to-15-year period.



Attercliffe Waterside Regeneration

#### **Gleadless Valley**

Gleadless Valley is a suburb of 4,600 homes that was built as an exemplar council housing estate in the 1960s. In 2022 the Council adopted the Gleadless Valley Masterplan, focussed on renewing and refurbishing the housing and improving public open space. The Council is currently developing a delivery plan for Gleadless Valley that will set out a comprehensive programme of physical, social and economic regeneration to be delivered in partnership with residents, local community organisations and development and investment partners.

The plans are expected to include refurbishment and low-carbon retrofit of existing council homes and development projects that would deliver new shops and facilities alongside high quality, low carbon, mixed tenure housing showcasing the best in contemporary living at gentle density and in harmony with nature.

If successful, this approach to estate regeneration could be rolled out to other large council housing estates in the city.

# Priority 4: Increase Affordable Housing Provision



## Introduction

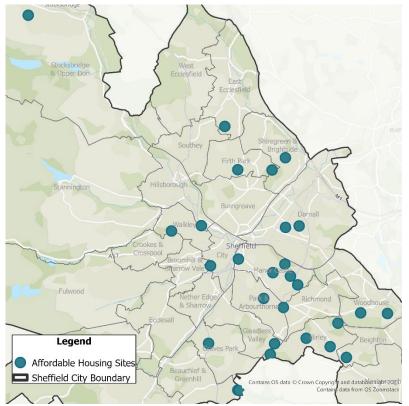
The Housing Strategy's fourth priority is to increase the number of affordable homes in the city. We recognise that the delivery of new affordable housing is crucial to support the creation of a fairer, more balanced housing market that meets the needs of our residents:

**"Increase affordable housing provision -** including new specialist, temporary and supported housing, through inward investment by social housing providers, Council resources, through planning powers, land use and partnership brokering and by incentivising developers to include more affordable homes.

This section of the plan shows the tools we are currently using, and tools we will need to deploy, to boost delivery over the next 5 years. More affordable housing will be delivered through:

- Partnerships and policies,
- a wide variety of delivery routes,
- utilisation of all sources of development land
- new sources of finance to maximise delivery

Through these efforts we are developing an ambitious set of programmes that will offer more options for those residents who may struggle to rent or buy in the city, helping to create a fairer housing market.



# **Partnerships and Policies**

#### **Sheffield Together Partnership**

The partnership has strong ambitions to boost affordable housing delivery by all partners in the city. One of the core workstreams in this partnership is the Integrated Affordable Housing Programme, set up to support the delivery of affordable housing. The partnership has already seen some successes:

- The 11 largest Housing Associations have been interviewed to understand barriers to delivery and promote higher outputs.
- Relationships have been improved through more transparency amongst partners and SCC appointing dedicated relationship managers for the developing Housing Associations.
- A shared pipeline of deliverable sites is being tracked.
- Land Workshops have been held to promote sites for Housing Associations to develop.
- Research has been commissioned to understand good practice.

Over the next 5 years, the Sheffield Together Partnership aims to improve delivery significantly. Partners have committed to ramping affordable housing starts across a rolling 5-year programme. This challenge necessitates a collaborative approach and some innovative thinking to boost delivery significantly from existing levels. This delivery plan will map out the actions we intend to take to deliver more affordable homes.

In order to further support the Sheffield Together Partnership's ambition to deliver more affordable housing starts per year, a sub-group, the Sheffield Affordable Housing Working Group has been established. This group will strengthen the partnership and increase focus on deliverability issues.

#### Sheffield Plan – Section 106 Contributions

New Affordable homes, built through Section 106 contributions from market delivery will play an important role in meeting the city's need for this tenure. Historically, Sheffield has not seen enough affordable housing through planning policy.

The draft Sheffield Plan, if adopted, will require affordable housing contributions on sites of ten or more homes across the city, where economically viable. There will be a requirement of between 10% and 30% dependent on the area and policy will prioritise on-site contributions where possible.

The Council expects to adopt the Sheffield Plan in 2025, and this will help to significantly boost the number of affordable homes seen across the duration of the Plan.

#### **Section 106 Policy Plus**

The nature of the brownfield sites that the Sheffield Plan puts forward means we expect significant challenges to the delivery of Section 106 affordable housing requirements. We will engage with developers and landowners early in the development process to promote the delivery of affordable homes. We will work in partnership with funders, including Homes England, to support the delivery of additional affordable housing. We will also explore the potential impact of improving the planning application process for affordable housing to incentivise and support developers to deliver additional homes of this tenure, including in excess of Section 106 requirements. Further

opportunities to increase the number of affordable homes through S106 will be explored in Local Plan reviews.

#### **Rent setting**

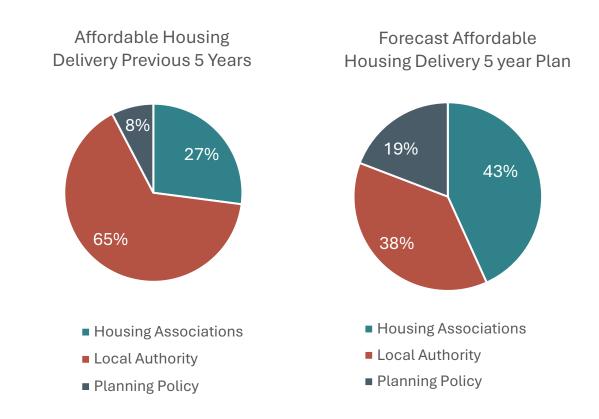
The majority of new affordable homes will be for rent. For all of the reasons set out in Chapter 1, the financial viability of building new affordable rented housing is very marginal, which puts upward pressure on rents (in order to pay back the cost of borrowing to build). Where the Council is either the developer or has an interest through land ownership or nominations agreements, will we aim to ensure that rents are set at levels that enable development but are also genuinely affordable, taking into account local earnings and the Local Housing Allowance (which determines the maximum amount of state benefits that can be claimed for housing).



Daresbury View

## **Delivery Routes**

We will seek to deliver, and support the delivery of, a range of affordable tenures, including projects for Temporary Accommodation, Extra Care, those with Learning Disabilities and General Needs. Diversifying the delivery routes and maximising delivery through these routes will help us get closer to meeting identified housing need. Over the plan period, we will focus on the following delivery routes:



#### Direct Delivery (Stock Increase Programme)

The Council has a good track record of delivery of council housing on its own land. We have delivered circa 350 new affordable homes on large, cleared housing sites since 2019. These homes have been built to a high-quality standard, are spacious and well insulated. These new build homes, alongside our acquisitions programme, have been mainly funded through the use of council borrowing through the Housing Revenue Account and supplemented with grants or other external funding.

We intend to build on this success with a continuation of our Stock Increase Programme (SIP). We will focus our limited resources on the delivery of 5 sites, with the final homes on these sites completed by 2029. This pipeline of sites will deliver c.500 new homes, focussing mainly on general needs, affordable rented homes but will also include an Older Persons' Independent Living scheme and some Shared Ownership homes.

The Council is exploring the financial viability of delivering Temporary Accommodation through direct delivery. A strategy for delivery will be presented in a forthcoming Temporary Accommodation Strategy.

We will continue to assess opportunities to deliver accommodation for residents with specific needs including Care Leavers and residents with Learning Disabilities. Further detail on future delivery will be detailed in the Specialist Accommodation Strategy.

All new Stock Increase Programme sites are assessed on the financial viability of providing these homes at a social rent. We will look for opportunities to provide social rent where viability on schemes allows.



Weakland Drive

#### **Housing Associations**

Inward investment by Housing Associations is hugely important to the city's affordable housing aspirations.

Housing Associations have identified a future pipeline of new homes for delivery between 2025 and 2030 but we will need to continue to work closely with partners that are willing to invest in the city to enable and increase the amount of delivery.

The Council's approach to supporting developing Housing Associations includes: formal structured meetings; one-to-one liaison with key council account managers to further enable information sharing on pipeline opportunities; a brokerage service with internal planning, legal and

property services to facilitate faster decisions on developments, as well as site assembly work with property colleagues to create future housing sites which may be suitable for Housing Association development.

The council is also releasing land for new affordable housing to be managed by Housing Associations and other social landlords (see Land section below).

We will work collaboratively together with Housing Associations to ensure that nomination agreements are beneficial for all parties and help us to deliver sustainable communities and address need.

#### **Development partnerships**

Sheffield Housing Company is a joint venture between Sheffield City Council and Keepmoat Great Places. This development partnership has a successful track record of delivering market housing across Sheffield. We have six sites left to deliver and will seek to boost affordable housing on these sites where viable. This will help to create mixed estates and could increase build out rate.

We will review the future of Sheffield Housing Company and consider the potential for additional or alternative partnerships with developers and social landlords, particularly for larger council sites with potential for mixed-tenure and mixed-use development. We will encourage a co-ordinated, place-based delivery approach that maximises affordable housing delivery in the context of creating successful neighbourhoods.



Cutlers View

#### **Regeneration projects**

As outlined under Priority 3, the council and partners are kickstarting city centre regeneration through the development of a number of 'catalyst' sites. We are using the council's stake in these sites to push our delivery partners for higher levels of affordable housing than required by planning policy. For example, we expect 20% of the 1,300 new homes to be delivered as part of the first catalyst site at Furnace Hill and Neepsend to be affordable tenures.

The Gleadless Valley estate regeneration project will not just re-provide any council housing that is identified for renewal, but will deliver additional mixed tenure housing, including additional affordable housing.

#### **Market Delivery**

Planning policy will contribute to the affordable housing needed over the Sheffield Plan period through Section 106 agreements. We will work collaboratively with funders, developers and housing associations to increase the viability of affordable housing within market-led developments.

The council can intervene through relationship brokering between private developers and housing associations and encouraging and facilitating access to public sector funding.

For example, as part of the Attercliffe regeneration project, we are working closely with Homes England, the South Yorkshire Mayoral Authority and the developer of the Attercliffe Waterside scheme to include affordable housing on the site despite the planning permission not requiring an affordable contribution.

### Land

An ongoing supply of developable land is essential if we are to create a sustainable pipeline of new affordable housing.

#### **Sheffield Housing Pipeline**

The Sheffield Together Partnership (STP) has used the Council's Housing and Economic Land Availability Assessment (HELAA) to produce a shared integrated land development pipeline (the Sheffield Housing Pipeline). This has the aim of enabling more starts on site, bringing more housing development into the city and enabling proper assessment of site deliverability and understand whether any interventions are required to unlock each site.

To support the Sheffield Housing Pipeline, the STP undertakes periodic landowner engagement to test the range of intervention scenarios that are necessary to facilitate delivery. The partnership also prepares high-level Delivery Plans for key sites which identify suitable delivery strategies. This Housing Pipeline work will form the basis of engagement with landowners to deliver affordable housing in Shefield in the medium to long term.

#### **Council Land Disposals**

The Council is not a major landholder of development sites, but we recognise that we need to do what we can to promote affordable housing delivery on the sites that we do own.

We have developed a programme of site disposals of smaller, under-utilised parcels of land in Council ownership. These sites have a capacity of under 10 homes and are not identified in our Sheffield Plan site designations. Development of these parcels of land benefits local communities, boosting regeneration efforts, reducing opportunities for fly-tipping and anti-social behaviour all whilst helping us to meet affordable housing need. Small sites have the potential to deliver 75 affordable homes over the next 5 years, if viable for development. We will continue to de-risk sites through pre-development work before disposal and will target sales to support affordable housing delivery where possible.

We are also undertaking a review of all our larger development sites to understand which sites are required for the Stock Increase Programme and which could be released to support affordable housing delivery. An initial desktop review of available, council owned, Sheffield Plan site allocations found 100+ sites that the Council has a land interest in. A shortlisting process has filtered this list down to the most deliverable sites. These will be de-risked and a procurement approach agreed, to expedite delivery by developers and housing associations.

We expect this activity to ramp up delivery over the next 5 years but acknowledge that viability issues are rife on these sites. We will collaborate with partners to share risk and remediate sites to deliver affordable housing.

On larger, strategic, sites we expect affordable housing to be delivered as part of mixed tenure developments in order to fund supporting infrastructure and deliver thriving communities.

#### **Publicly Owned Land**

We will continue to review our own land to identify land that is surplus to delivery of council services and can be released for housing. We will also work with other public sector organisations to identify sites where a joint approach to delivery could release land for affordable housing.

## Finance

Increasing Affordable Housing provision in the city to the levels required to meet need will require additional funding.

Through our Sheffield Together Partnership there is a 'single conversation' arrangement which allows for joined-up conversations around all funding programmes in the context of affordable housing. These conversations involve Homes England, South Yorkshire Mayoral Combined Authority, Housing Associations, and the Council.

We will continue to seek additional funding through partnership working and the exploration of new delivery models.

#### Council funding for new council housing

As is the case for all Local Authorities the funding for growth of the council's own housing stock needs to be carefully balanced, taking account of our requirements for growth, existing stock and the repairs service. Our Housing Revenue Account (HRA) Business Plan balances the competing pressures of the maintenance of our portfolio with new investment in the form of decarbonisation of existing stock and delivering affordable stock over a 30-year period. Our income is hamstrung by the central government regulated Rent Cap with a lack of certainty inhibiting long term financial planning. This cap inhibits improvements to the stock and raises the costs of investment. Recent changes announced by government to remove restrictions on external grants being matched to internal income have enabled greater flexibility for us to fund new Council Housing.

#### **Social Rented Housing Ambitions**

We are striving to make new additions to our stock more affordable for the people of Sheffield. Social rented homes will require higher levels of funding to subsidise than Affordable Rent homes. We will be lobbying for a higher grant level where possible in order to deliver new social rented homes in the city.

#### Grant

#### **Homes England**

The Council seeks grant funding through the Affordable Homes Programme to support viability of delivery for both its own developments and for developments in partnership with developers and housing associations. There are 6 Housing Associations in the city which are Strategic Partners of Homes England and there are many others that are keen to increase their current investment spend in the city. We are proactively working to support these developing Housing Associations to access external grant funding to enable delivery through our partnership working and site review and disposal strategy.

#### South Yorkshire Mayoral Combined Authority (SYMCA)

The Council works collaboratively with SYMCA to access funding to support existing schemes and to enable new scheme opportunities for housing delivery in the City. The Council have secured funding from the SYMCA Brownfield Housing Fund to support sites in the Gleadless Valley neighbourhood and a number of City Centre sites. We are bidding for further funding to support the viability of Council new build schemes.

#### Ministry of Housing Communities and Local Government (MHCLG) Funding

The Autumn Statement 2023 announced that the government would be launching a third round of the Local Authority Housing Fund, to the value of £450 million, to run over the financial years 2024-25 and 2025-26. We have recently been successful in bidding to the Brownfield Land Release Fund for £690,000 to support the de-risking of Ardmore St and will continue to explore further funding opportunities.

#### New funding models

Financial institutions are increasingly seeing affordable housing as an investment opportunity as it provides long term, reliable income as well as social and economic benefits. We will carefully review options for new models to harness institutional investment, weighing up the costs and benefits to ensure value for money. We will also work with SYMCA to develop proposals for how future devolved funding for housing might best be spent. This could include looking at new public-sector backed delivery and ownership vehicles.

# Priority 5: Build homes for the future



## Introduction

The Housing Strategy's fifth priority is to increase the range of housing in the city:

**Build homes for the future,** by making more efficient use of land, and prioritising brownfield sites and ensuring homes are built to the highest possible design and sustainability standards.

In 2019, Sheffield City Council declared a climate emergency and set out our ambition to become a net zero city and council by 2030. Ensuring that new housing development contributes to the net zero ambitions of the Council is vital if we are to meet this goal. The Council has a role to play both in setting an example of low carbon development and in helping to signpost and regulate others. Following on from approval of the Housing Strategy 2024-2034, we will be developing a Residential Net Zero Delivery Plan, which will include the actions that we need to take to decarbonise our existing housing stock and reduce the environmental impact of new development.

# **Sheffield Plan and Planning Policy**

Policies brought forward in the Sheffield Plan will help tackle the Climate Emergency by guiding how development takes place through design, layout and mitigating against climate change. Many of the measures that address the climate emergency will also benefit health and wellbeing and make homes more affordable to heat and run.

A strong policy driver is to encourage the reuse of existing buildings wherever possible. This can significantly reduce the consumption of natural resources. However, there is still a need for new buildings, so these will be delivered with higher levels of energy efficiency.

Developments that result in new dwellings or new non-residential buildings will be required to reduce their regulated carbon emissions by at least 64% from 1 January 2025 and be net zero carbon (in terms of both operational carbon and embodied carbon) from 1 January 2030. This will include developers using a fabric first approach to reduce emissions, the generation of renewable energy or connection to a renewable energy network and the use of sustainable and/or recycled materials wherever possible.

#### **Brownfield First Approach**

The spatial approach of the Sheffield Plan has an important role in responding to the Climate Emergency by reducing the need to travel and promoting sustainable modes of travel. We promote this by maintaining a compact city, reusing sustainably located previously developed land and minimising further sprawl. Our plan focusses on delivering higher density development in the City Centre. This brownfield first approach ensures that our city minimises development on greenfield land.

We will continue to make best use of land where we can through a continuous review of Council owned land. This review has led to our 'Small sites' disposal programme which aims to reduce antisocial behaviour and improve the street scene by disposing of small parcels of under-utilised land for housing development.

#### **Biodiversity**

Biodiversity Net Gain is a national planning requirement for a 10% uplift in biodiversity for the area of site development. We are encouraging this through the provision of trees, birdboxes or badger gates and hedgehog crossings where appropriate. This net gain can be provided offsite in the local area such as creating green links in a location. We are exploring where we could designate some under-utilised smaller parcels of land in Council ownership to promote biodiversity to support housing development.

## **Net Zero Neighbourhood Pilot**

#### **Gleadless Valley**

The Council has set out its ambitions for a 'Net Zero Neighbourhood' pilot in the Cities Commission for Climate Investment (3Ci) UK Net Zero Neighbourhoods Prospectus (December 2023). Investing in energy efficiency measures and other initiatives such as local renewable energy generation could bring significant benefits to residents in terms of warmer, damp-free homes. It could also generate financial returns in terms of reduced energy costs and potential building maintenance savings. The combination of social and financial returns and council match funding could attract investors (including impact investment funds) to provide the up-front investment needed.

In order to develop this approach, a small number of homes within Gleadless Valley will be selected for a 'deep retrofit' pilot. This will involve working with local residents, 3Ci and strategic partners such as energy companies and institutional investors to design and deliver a high standard of energy efficiency for these homes, funded through a long term 'invest to save' model. The aim will be to demonstrate successful retrofit designs for housing typologies in Gleadless Valley, raise environmental awareness, develop the supply chain, invest in green skills and test an investment model that could be applied to other parts of Gleadless Valley or Sheffield.

#### **Future Plans**

The lessons learned in the Gleadless Valley deep retrofit pilot will be applied across other areas of the city and could provide an example which the Council will be able to roll out in future bespoke local regeneration plans.

# **Climate Resilience**

#### **Flood Resilience**

Planning policy requires development to consider how the discharge of water of a new development will impact the surrounding area. In Sheffield, we embrace a variety of solutions, including the use of permeable materials, Sustainable Urban Drainage (SUDs) and attenuation tanks. SUDs have been successfully implemented in Council Housing developments at Ouse Road and Scotia Drive, and Sheffield Housing Company developments on Harborough Rise. By using SUDs, water can be channelled or collected into area to drain naturally over time.

The Grey to Green project in the city centre is another example of the city's use of SUDs. Planting in the city centre around a series of drainage channels has allowed for some water absorption across a wide area of the scheme, rather than allowing water to build up in the event of a flood.



Grey to Green

# **Modern Methods of Construction**

Modern Methods of Construction have the potential to deliver low carbon housing at pace through precision manufacturing processes in a controlled factory environment. The Council has piloted volumetric MMC housing projects at Knutton Rise and Duffield Place and is exploring the benefits of this method of delivery. We are aware of the risks involved in any large MMC project, due to the volatility of the market with MMC providers.

Modern Methods of Construction is a wide definition that includes more than the premanufacturing of full homes. We utilise some categories of an MMC build as part of our traditional build contracts in the Stock Increase Programme. This includes off-site manufactured roof trusses, a category 2 classification of MMC.



Duffield Place

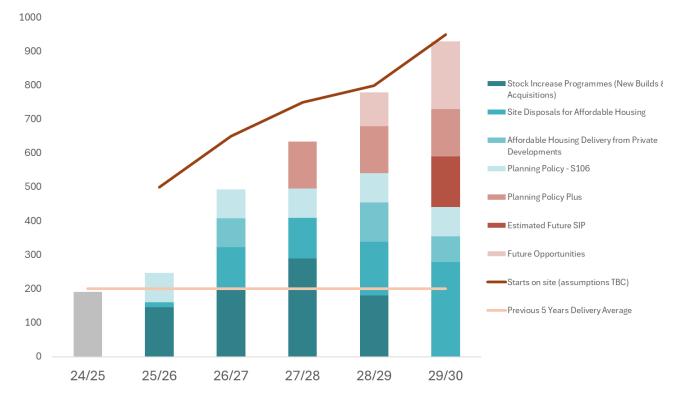
# Impacts

#### Affordable Housing

Through the delivery of the programmes described under "Priority 4: Increase Affordable Housing Provision", we expect to see a significantly increase to the number of affordable homes delivered in the city over the next five years. The Council's own new build and acquisition programme will continue, changes to Planning policy will be implemented through our new Sheffield Plan to increase affordable contributions and the work undertaken by partners of the Sheffield Together Partnership will boost delivery. We hope to deliver approximately 2,200 new affordable homes over the next five years across these programmes.

We will explore further options available to us to increase the supply of affordable homes in the city and future iterations of this delivery plan will expand on these efforts. These future opportunities could be delivered through increased collaboration with partners to drive further delivery, potential national policy changes and increased grant funding availability to drive more social housing. These future opportunities could deliver 850 completions in the next five years with more starts on site expected.

The impact of our current programmes of delivery can be seen in the chart below. The delivery profile may change as programmes are accelerated, increased or altered over time.



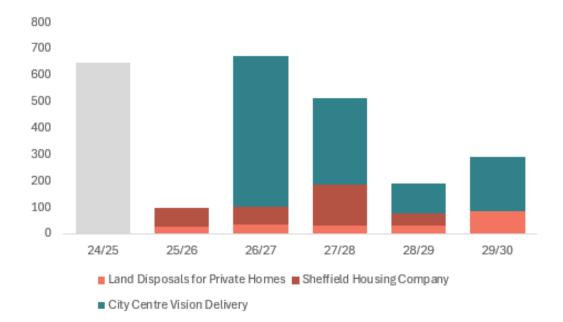
#### **Private Delivery**

The majority of the new private sale or rented homes will be delivered by the market. However, the Sheffield Together Partnership has areas of focus where the city needs to see significant housing growth. These programmes of delivery, focussed on the establishment of new neighbourhoods in

the City Centre and the regeneration of suburban neighbourhoods, will contribute some new homes over the next five years. This delivery will continue at pace across the lifetime of the Sheffield Plan period (to 2039). New development in the City Centre will introduce new housetypes to these housing markets, comparable with established suburban neighbourhoods. This increased range of accommodation will support the delivery of lifetime neighbourhoods and increase the range and quality of homes available.

As well as schemes where we intend to focus our efforts in the City Centre, we will look to influence the market to encourage the delivery of the right type of homes in the right places. We will publish a new Strategic Housing Market Assessment, to encourage the right type of development for sites in Sheffield.

The Council is aiming to enable the delivery of approximately 1,800 private market homes over the next five years and anticipate that the market will deliver around 5,800 homes.



We will work together with partners to deliver specialist homes to meet need. Our approach will include the commissioning of new specialist housing, delivery of our own specialist accommodation where the market doesn't deliver and influencing the private market through provision of evidence of need.

#### Summary Housing Delivery over the next 5 years

We expect half of the homes to be built out by the private sector between 2025/26 and 2029/30. With 27/28 and 29/30 seeing the delivery of some very large schemes in the city.

