

Matter 3: Housing Need

Issue 1: Whether the Plan is positively prepared, justified, effective and consistent with national policy with regard to housing need and the housing requirement?

3.1 What is the minimum number of new homes needed over the Plan period as calculated using the standard method and including the cities and urban centres uplift based on the latest available figures at the point the Plan was submitted? Are the calculations accurate and do they reflect the Planning Practice Guidance's methodology and advice?

1. The Sheffield Plan was submitted 6th October 2023.
2. The NPPF¹ states that to determine the minimum number of homes needed policies should be informed by a local housing need assessment (LHNA) conducted using the standard method. The PPG² sets out the process for calculating the standard method. The minimum annual local housing need figure for Sheffield can be calculated as follows:
 - **Step 1: Setting the baseline**
The 2014 Household Projections show an average annual household growth of:1,980.8³
 - **Step 2: An adjustment to take account of affordability**
The average annual projected household growth figure is then adjusted based on the affordability of the area.
The most recent median workplace-based affordability ratios should be used, this would have been the 22nd March 2023 release, which gave a ratio of 6.18.
$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

The adjustment factor for Sheffield is 1.13625⁴
This increases the local housing need to 2,250.68⁵.
 - **Step 3: Capping the level of any increase**
A cap is then applied which limits the increases an individual can face. The housing cap does not make a difference to the local housing need figure in Sheffield.
 - **Step 4: Cities and Urban Centres Uplift**
A 35% uplift is the applied for those urban local authorities in the top 20 cities and urban centres list. This list includes Sheffield, and therefore the uplift should be applied, this brings Sheffield's local housing need to **3,038 dwellings**⁶.
3. The Plan proposes to deliver 35,539 new homes by 2039, equivalent to 2,090 dwellings per annum (dpa) between 2022 to 2039. The HBF notes this is lower than the LHN identified before the cities and urban centres uplift is applied. The HBF does not consider

¹ NPPF Sept 2023 paragraph 61

² PPG ID: 2a-004-20201216

³ 2014 Household Projections 2023: 253,055, 2033: 272,863, growth: 19,808, annual average: 1980.8

⁴ $((6.18-4)/4) \times 0.25 + 1 = 1.13625$

⁵ $1,980.8 \times 1.13625 = 2,250.68$

⁶ $2,250.68 \times 35\% = 3,038.42$

that the housing requirement proposed reflects the local housing need identified by the standard method and the PPG advice.

3.2 Having had regard to the Planning Practice Guidance, are there any exceptional circumstances in Sheffield which justify an alternative approach to following the standard method in its entirety, including the cities and urban centres uplift? If so, what are they, are they supported by robust evidence, and what should the housing requirement for Sheffield be?

4. The HBF does not consider that there are any exceptional circumstances in Sheffield which justify using a figure lower than that achieved when using the standard method. The HBF also does not consider that the Council has provided any justification or evidence which sets out these exceptional circumstances either.

3.3 The Planning Practice Guidance refers to the expectation that the increase in the number of homes to be delivered in cities and urban centres is delivered in those areas, rather than the surrounding areas, unless it would conflict with national policy and legal obligations. Would there be any conflict with national policy and legal obligations if the cities and urban centres uplift was applied?

5. The HBF does not consider that there would need to be any conflict with national policy if the cities and urban centres uplift was applied. The PPG⁷ suggests that in considering how need is met in the first instance, brownfield and other under-utilised urban sites should be prioritised and on these sites density should be optimised to promote the most efficient use of land. It goes on to state that this is to ensure that homes are built in the right places, to make the most of existing infrastructure, and to allow people to live nearby the service they rely on, making travel patterns more sustainable. The HBF also notes that, in line with the NPPF⁸, once established Green Belt boundaries can be altered where there are exceptional circumstances, which can be evidence and justified and undertaken through the preparation of Plans.
6. The Council have already accepted that there are exceptional circumstances justifying the release of green Belt land as they have chosen to release the strategic Housing Site at Norton Aerodrome.

3.4 Do paragraph 11 of the Framework and the policies within footnote 7 of the Framework provide a strong reason for restricting the overall scale, type or distribution of development in the Plan area?

7. The HBF does not consider that the paragraph 11 and footnote 7, or the application of other policies in the NPPF, provide a strong reason for restricting the overall scale or type of development of in the Plan area. It may, however, have some implications in terms of distribution of development for example the avoidance of development in SSSIs or areas at risk of flooding.

3.5 Are there any reasonable alternative spatial strategies for Sheffield which could result in a material difference with regard to the significant level of unmet housing

⁷ PPG ID: 2a-035-20201216

⁸ NPPF Sept 2023 paragraph 140

need which remains to be positively accounted for? Could housing need be met in a way which did not require land to be removed from the Green Belt?

8. The HBF considers that there are reasonable alternative spatial strategies for Sheffield which should have been explored, and that these should include consideration of land suitable for release from the Green Belt. The Issues and Options consultation considered alternative spatial strategies, it is possible that using a combination of these strategies could have allowed the Council to meet the housing need as identified by the standard method.

3.6 Is the housing requirement figure of 35,530 homes by 2039 (2,090 per annum) in Policy SP1 a) justified?

9. The HBF does not consider that the housing requirement figure of 35,530 homes by 2039 (2,090dpa) set out in Policy SP1 is justified. The HBF does not consider that this figure is in line with the NPPF which looks for strategic policies to provide for objectively assessed needs for housing as a minimum, to support the Government's objective of significantly boosting the supply of homes and to address the needs of groups with specific housing requirements and different groups within the community. The Plan does not provide any justification or evidence for why this requirement has been chosen and why they have not chosen to meet the housing need identified by the standard method.

Issue 2: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the provision for other housing needs?

3.7 Would the Plan deliver a diverse mix of housing types and tenures suitable to meet the needs of different groups within the community?

10. The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area.
11. Table 2 of the Plan identifies the distribution of housing supply across Sheffield it identifies capacity for 18,465 dwellings in the Central sub-area, with 2,940 dwellings in the East sub-area, 1,640 dwellings in the South East sub-area and 1,015 dwellings in the North West sub-area. The other sub-areas are all under 1,000 dwellings. This table identifies 67% of the supply within the Central sub-area, with the other 8 sub-areas taking the other 33%. The Central Area includes 2,740 dwellings in CA1, 1,845 dwellings in CA2, 4,185 dwellings in CA3, 2,215 dwellings in CA4, 6,155 dwellings in CA5, and 1,495 dwellings in CA6. Policy NC9: Housing Density looks for a density of at least 70 dwellings per hectare in the Central Area, and many of the allocations appear to be at densities higher than this.
12. Policy NC5 states that mixed communities will be created by encouraging the development of housing to meet a range of needs, and that this will be achieved by requiring developments on the City Centre and other highly accessible locations to have no more than half of the homes as one-bedroom apartments or studios, and requiring a greater mix in other locations including homes for larger households.

13. The Sheffield and Rotherham Strategic Housing Market Assessment (SHMA) 2018 (July 2019) states that the extent to which new housing will meet housing needs will depend on the precise, mix, location, type, tenure and price level of housing provided. It goes on to set out the demand for a mix of house types, sizes and tenures⁹. It suggests that currently 25% of the current profile is apartments in Sheffield and that only 20% of the new demand profile is for apartments. Whilst 44% of the current dwelling profile is semi-detached or detached, 63% of the demand is for these types of homes¹⁰. The HBF is concerned that the Plan as currently proposed will not meet these needs and demands.
14. It is noted that within the Central Area the affordable housing requirement is 10% as set out in Policy NC3. The Whole Plan Viability Assessment (Sept 2022) identifies development within the city centre area as unviable in the base appraisals and with the 10% affordable housing requirement. The Assessment states that the Council should not rely on brownfield sites within these areas to deliver the housing numbers required – unless there is clear evidence that sites are actually deliverable. The HBF is concerned that the Plan as currently proposed will not deliver the level of affordable housing needed.
15. The HBF is concerned that the Plan will not meet the housing needs of all members of the community. The NPPF¹¹ is clear that the size, type and tenure of housing need for different groups in the community should be considered and reflected in planning policies these include those that require affordable housing, families with children, older people and people who wish to build their own homes. The HBF does not consider that the Plan provides for the needs of those seeking affordable homes or family homes.

3.8 What is the annual need for affordable housing and the total affordable housing need over the Plan period?

16. The Sheffield and Rotherham SHMA (July 2019) identifies an annual shortfall in affordable unites of 902 dwellings in Sheffield, this figure represents the required level of new affordable supply that would be required if the backlog is to be cleared over 5 years.

3.9 Has the need for affordable housing been accurately calculated and based on robust, up-to date data? Has this need been calculated in accordance with the Planning Practice Guidance? What is the past record for affordable housing completions and forms of delivery? How does the Council consider this will change in the future?

17. The Sheffield and Rotherham SHMA (July 2019) identifies an annual shortfall in affordable unites of 902 dwellings in Sheffield, it also recommends as a guideline 25% of units could potentially be shared ownership, affordable rent or other intermediate products. It suggests that the majority of affordable homes should be homes for social rent.

⁹ Paragraph 8.17 Sheffield and Rotherham Strategic Housing Market Assessment (SHMA) 2018 (July 2019)

¹⁰ Table 8.1 Sheffield and Rotherham Strategic Housing Market Assessment (SHMA) 2018 (July 2019)

¹¹ NPPF Sept 2023 paragraph 62

18. Government data for Sheffield¹² which shows that over the period 2013/14 to 2022/23 the Council has delivered 2,502 affordable dwellings, at an average of 250 affordable dwellings per annum, significantly short of the affordable need. The Council should therefore consider a strategy that allocates additional sites that will be more likely to deliver the affordable housing needed by the city's residents. It is clear that a strategy focussed on delivery in the on previously developed land and city centre development will not, on its own, address the pressing need for affordable housing.

3.10 How does the need for affordable housing compare to the housing requirement figure for Sheffield set out in Policy SP1 a)?

19. The need for affordable housing in Sheffield is high, 902 dwellings or 43% of the proposed housing requirement of 2,090 and whilst it will be important for the Council to make the best use of previously developed land it must also be recognised that the higher costs of developing such sites can impact on their ability to deliver affordable housing.

3.11 Based on the requirements for particular Affordable Housing Market Areas, how many affordable homes is the Plan expected to deliver? How does this compare to the identified need? If needs will not be met, what alternative options has the Council considered?

20. The Sub-Areas used in the Plan are not the same areas as the affordable housing market areas. Therefore, the table below is very approximate estimate of the proportion of affordable housing that could be provided. It also assumes that all sites are viable and provide the policy target, which given the viability challenges highlighted by the viability assessment is unlikely to be the case. The HBF would expect that the Council would be able to provide a much more accurate estimation of the affordable housing delivery expected.

Sub Area	Potential number of Homes	Affordable Housing Proportion	Total
Central	18,465	10%	1,847
North West	1,015	10% (Rural Upper Don Valley) / 30% (North West)	102 to 305
North East	965	10%	97
East	2,940	10%	294
South East	1,640	10%	164
South	750	10% (City Centre West) / 30% (South)	75 to 225
South West	755	10% (City Centre West) / 30% (South West)	76 to 227

¹² Table 1011: Additional Affordable housing supply, detailed breakdown by local authority, completions, <https://www.gov.uk/government/statistical-data-sets/live-tables-on-affordable-housing-supply>

Stocksbridge / Deepcar	928	10%	93
Chapelton / High Green	25	10%	3
Total	27,483		2,751 to 3,255

21. The HBF notes the 902dpa affordable housing need, and the potential for a maximum of 3,255 affordable homes to be provided by the Plan. This equates to only 3.6 years of the affordable housing requirement. The HBF is concerned that even with any alternative strategies that the Council may have, that this is a low level of affordable housing provision and that the Council should be seeking to address this through their housing requirement and spatial strategy.

3.12 Does the Plan support opportunities to bring forward rural exception sites, consistent with paragraph 78 of the Framework?

22. At present the Plan does not appear to contain a policy which supports the development of rural exception sites in line with paragraph 78 of the NPPF.

3.13 What are the identified needs for specialist housing, for example housing for older and disabled people and student accommodation, within the overall housing need for Sheffield? How will these needs be met?

23. The Sheffield and Rotherham SHMA (2019) does not appear to provide figures in relation to the identified need for housing for older and disabled people or for student accommodation.