

SHEFFIELD CITY COUNCIL

Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Meeting held 3 November 2015

PRESENT: Councillors Bob Johnson (Chair), Lewis Dagnall, Neale Gibson, Julie Gledhill, Ibrar Hussain, Roy Munn, Robert Murphy, Joe Otten, Ray Satur, Martin Smith, Steve Wilson and Cliff Woodcraft (Substitute Member)

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Ian Auckland, Gill Furniss and Helen Mirfin-Boukouris.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 No items were identified where resolutions may be moved to exclude the public and press.

3. DECLARATIONS OF INTEREST

3.1 There were no declarations of interest.

4. MINUTES OF THE PREVIOUS MEETING

4.1 The minutes of the meeting of the Committee held on 30th September, 2015, were approved as a correct record and, arising therefrom, further to a query from Councillor Ibrar Hussain, Matthew Borland, Policy and Improvement Officer, stated that he had not received any information from the Head of Waste Management, in terms of the implications of the suggestion raised - that inclusion on the Council's Electoral Register be added to the eligibility criteria in terms of entitlement to assisted waste collections - and that he would circulate details of a response, when received, to Members of the Committee.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Alan Kewley questioned how members of the public could have an input into the Committee's Work Programme.

5.2 The Chair stated that members of the public could refer any suggested items they wished the Committee to look into, to himself or through their local Councillors.

6. PRIVATE SECTOR HOUSE BUILDING

6.1 The Director of Housing and Neighbourhood Services submitted a report containing details of the progress made in terms of the implementation of the recommendations of the Private Sector House Building Report.

- 6.2 Also in attendance for this item were Councillor Ben Curran (Cabinet Member for Finance and Resources), Councillor Jayne Dunn (Cabinet Member for Housing) and Maria Duffy (Interim Head of Planning).
- 6.3 The report highlighted the need for increasing the number of homes in the City, in order to achieve economic growth and that the Sheffield City Region Strategic Economic Plan set out an ambition to create 70,000 new private sector jobs, which had significant implications for housing growth. The Strategic Housing Market Assessment had identified that Sheffield required between 1,975 and 2,425 new homes per year. Reference was also made to the Task Group, established by this Committee, to scrutinise the Council's policies and practices to assess whether the Council had robust arrangements in place to meet this challenge, and to identify any additional measures required to facilitate more private sector house building in the City. The report of the Task Group had been submitted to the Cabinet, and the Group had made six recommendations in connection with four areas, which included land disposal, culture, transparency/communications and City Centre. The report now submitted set out details with regard to actions and progress to date, with regard to the recommendations.
- 6.4 Members of the Committee raised questions and the following responses were provided:-
- It was accepted that most developers, particularly large companies, preferred to build larger houses on greenfield sites in the light of both the profit margins and that there were often more issues to deal with when developing on brownfield sites. The Council prioritised the use of brownfield development. Work was being undertaken, as part of the Asset Enhancement Programme, to assess all aspects of potential development sites, and information would be made available for prospective developers. The Strategic Housing Market Assessment contains details of what types of housing was required in the City, and where it was required.
 - Officers worked very closely with developers, particularly small/ medium-sized companies, in terms of providing help and assistance in connection with plans for residential developments. They were provided with clear guidance in terms of what types of housing was required in the City. There were difficulties as there was a fine balance between achieving a commercial deal beneficial to the Council, and what was suitable for the City.
 - It had been determined that, in the new Local Plan, going forward, there was a requirement to build around 2,000 houses in the City every year, for the next 20 years, in order to meet demand. The current demand was 1425. From 2013 to 2015, the net number of new houses constructed has totalled 438, 938 and 1,765, respectively. When considering viability as part of any planning application determination, the Council obtained a valuation from the independent District Valuation Office. Prior to the financial crash, the City reached an all built out rate high for two years of

2,000 units a year, which had mainly been due to the construction boom in terms of City Centre apartments.

- There had been a recent increase in the construction of affordable housing, and consideration would be given to the development of further such housing, as part of the Council's Local Plan. The National Planning Policy Framework 2012 required affordable housing to be negotiated where it was viable to do so and the affordable housing policy had recently been altered to reflect this. Instead of a target of 40% for all developments, there was now a variable rate across the City, informed by an independent viability study. The Council worked very closely with developers in connection with increasing the amount of affordable housing in the City but, for a variety of reasons, including the general low development rate, of which affordable housing was a part, and viability issues, as well as the ability to secure finance, meant that it was not possible for all developments to provide affordable housing. The independent viability studies generally allowed 20% profit for the developer. The majority of applications for planning permission for residential developments were approved.
- One of the Cabinet Member for Housing's priorities was to ensure the planning process was as streamlined as possible locally, within the fact that it was a statutory process, with national legal statute regulations and procedures set out by national Government.
- With all housing developments in the City, the Council needed to ensure that it obtained the best possible return with regard to the sale of land. In order to achieve this, there was generally a need for an element of private housing, which not only resulted in bigger profits, but also attracted Council Tax from purchasers, together with New Homes Bonus funding. The Council had to strike a balance, in terms of raising sufficient income to invest in Council services and to retain sufficient land for Council use.
- The Council would also be pursuing the option of encouraging development on Council-owned land, rather than disposing of the land, for example, as part of its Council housing building programme. The Council would also encourage housing associations to build on its land. It was often the case whereby good housing schemes often attracted other developers to build in an area.
- As part of major housing developments, the Council would provide a market brief to prospective developers, which would include planning considerations. Planning officers would also talk to colleagues in the Communities Portfolio, to discuss what type of housing was required in a particular area. As part of the consultation on the market brief, officers would also engage with local community groups. It was important that the market brief was correct by when the tenders for the development were submitted, as no further amendments to the specification could be made at this stage. Some good examples of local engagement included the proposed housing development on the site of the former Abbeydale Secondary School and Bannerdale sites, with the plans made to date,

including a considerable level of input from the local community. Both the Abbeydale and Bannerdale sites had outline planning permission for housing. The latest schools' consultation, following discussions with the community, includes the potential, amongst a number of other options, of school development on the Bannerdale site.

- There has been recent evidence of an increase in confidence in the economy, such as an increase in borrowing and the construction of residential developments. The Council had identified land suitable for residential developers, and was aware of developer interest. Efforts were also being made to encourage developers to build at the earliest possible opportunity as there had been instances whereby developers had purchased the land, but had delayed construction. Officers continued to work with all developers, particularly smaller and medium-sized, in order to encourage and give them more confidence.
- Whilst there were some large residential developments planned, there had been delays in respect of a number of these. The majority of the units planned over the next few years involved medium-sized developments.
- Studies with regard to the viability of all residential developments were undertaken, as well as independent evaluations being carried out. As part of all residential developments, the Council would first be obliged to take account of the National Planning Policy Framework 2012, then give consideration to its own local planning policies. Changes could be made to the Council's own planning policy as part of the next stage of consultation on the Local Plan. There was a two-stage consultation, the first commencing on 11th November, 2015, which was an options consultation, in effect a strategic, high-level consultation rather than a draft plan, which looked solely at the scale of development and growth of the City, as well as the broad locations for that growth. The comments and views made on this would then inform work, which would be incorporated into a second detailed site level consultation in summer 2016.
- It was accepted that there was a need for further training for Members on both national and local planning policies, specifically relating to residential developments, in order that they had sufficient knowledge to respond to constituents.
- There had been considerable liaison between the Council's Planning and Licensing Services in connection with the issues regarding the balance of City Centre living and the night-time economy. It was accepted that there was an element of confusion and frustration on the part of the public with regard to the two different statutory regimes of the two Services. However, they were both regulated by national Government in terms of their rules, regulations and processes, and were essentially very different. The Interim Head of Planning and the Chief Licensing Officer had set up a system whereby the Licensing Service was advised of all applications and pre-applications so officers could be included in pre-application discussions where there was likely to be a licensing issue further down the line to make

the different regimes as streamlined as possible.

6.5 RESOLVED: That the Committee:-

- (a) notes the contents of the report now submitted, together with the information reported and the responses provided to the questions raised; and
- (b) requests that the issues raised by Members be forwarded to the Director of Housing and Neighbourhoods Services, and used to inform the development of the emerging Housing Growth Strategy.

7. WORK PROGRAMME 2015/16

7.1 The Policy and Improvement Officer circulated a report attaching the draft Work Programme for 2015/16.

7.2 It was agreed that Members should forward any comments on the draft Work Programme to the Chair or Matthew Borland, Policy and Improvement Officer, for discussion at the Committee's meeting in December, 2015.

8. DATE OF NEXT MEETING

8.1 It was noted that the next meeting of the Committee would be held on Wednesday, 16th December, 2015, at 5.00 p.m., in the Town Hall.