

Climate Change, Economy and Development Transitional Committee

Thursday 10 March 2022 at 10.00 am

**To be held at the Town Hall,
Pinstone Street, Sheffield, S1 2HH**

The Press and Public are Welcome to Attend

Membership

Councillor Mark Jones
Councillor Barbara Masters
Councillor Neale Gibson
Councillor Tim Huggan
Councillor Dianne Hurst
Councillor Mazher Iqbal
Councillor Douglas Johnson
Councillor Chris Rosling-
Josephs
Councillor Martin Smith
Councillor Paul Turpin

PUBLIC ACCESS TO THE MEETING

A copy of the agenda and reports is available on the Council's website at www.sheffield.gov.uk . You may not be allowed to see some reports because they contain confidential information. These items are usually marked * on the agenda.

Members of the public have the right to ask questions or submit petitions to Transitional Committee meetings and recording is allowed under the direction of the Chair. Please see the [website](#) or contact Democratic Services for further information regarding public questions and petitions and details of the Council's protocol on audio/visual recording and photography at council meetings.

PLEASE NOTE: Meetings of the Transitional Committee have to be held as physical meetings. If you would like to attend the meeting, you must register to attend by emailing committee@sheffield.gov.uk at least 2 clear days in advance of the date of the meeting. This is necessary to facilitate the management of attendance at the meeting to maintain social distancing. In order to ensure safe access and to protect all attendees, you will be asked to wear a face covering (unless you have an exemption) at all times when moving about within the venue.

It is also recommended that you undertake a Covid-19 Rapid Lateral Flow Test within two days of the meeting. You can order tests online to be delivered to your home address, or you can collect tests from a local pharmacy. Further details of these tests and how to obtain them can be accessed here - Order coronavirus (COVID-19) rapid lateral flow tests - GOV.UK (www.gov.uk). We are unable to guarantee entrance to observers, as priority will be given to registered speakers. Alternatively, you can observe the meeting remotely by clicking on the 'view the webcast' link provided on the meeting page of the website.

If you require any further information please contact John Turner email john.turner@sheffield.gov.uk.

**CLIMATE CHANGE, ECONOMY AND DEVELOPMENT TRANSITIONAL
COMMITTEE AGENDA
10 MARCH 2022**

Order of Business

- 1. Welcome and Housekeeping Arrangements**
- 2. Apologies for Absence**
- 3. Exclusion of Public and Press**
To identify items where resolutions may be moved to exclude the press and public.
- 4. Declarations of Interest** (Pages 5 - 8)
Members to declare any interests they have in the business to be considered at the meeting.
- 5. Minutes of Previous Meetings** (Pages 9 - 18)
To approve the minutes of the meetings of the Committee held on 13th January and 10th February (to follow), 2022.
- 6. Public Questions and Petitions**
To receive any questions or petitions from members of the public.
- 7. Climate Change Action Plan - Domestic Retrofit: Concluding Session**
Report of Interim Director, Place (to follow).
- 8. Climate Change, Economy and Development Transitional Committee Activity Report March 2022** (Pages 19 - 22)
Report of Policy and Improvement Officer.

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ADVICE TO MEMBERS ON DECLARING INTERESTS AT MEETINGS

If you are present at a meeting of the Council, of its executive or any committee of the executive, or of any committee, sub-committee, joint committee, or joint sub-committee of the authority, and you have a **Disclosable Pecuniary Interest (DPI)** relating to any business that will be considered at the meeting, you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your Disclosable Pecuniary Interest during the meeting, participate further in any discussion of the business, or
- participate in any vote or further vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

You **must**:

- leave the room (in accordance with the Members' Code of Conduct)
- make a verbal declaration of the existence and nature of any DPI at any meeting at which you are present at which an item of business which affects or relates to the subject matter of that interest is under consideration, at or before the consideration of the item of business or as soon as the interest becomes apparent.
- declare it to the meeting and notify the Council's Monitoring Officer within 28 days, if the DPI is not already registered.

If you have any of the following pecuniary interests, they are your **disclosable pecuniary interests** under the new national rules. You have a pecuniary interest if you, or your spouse or civil partner, have a pecuniary interest.

- Any employment, office, trade, profession or vocation carried on for profit or gain, which you, or your spouse or civil partner undertakes.
- Any payment or provision of any other financial benefit (other than from your council or authority) made or provided within the relevant period* in respect of any expenses incurred by you in carrying out duties as a member, or towards your election expenses. This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992.

*The relevant period is the 12 months ending on the day when you tell the Monitoring Officer about your disclosable pecuniary interests.

- Any contract which is made between you, or your spouse or your civil partner (or a body in which you, or your spouse or your civil partner, has a beneficial interest) and your council or authority –
 - under which goods or services are to be provided or works are to be executed; and
 - which has not been fully discharged.

- Any beneficial interest in land which you, or your spouse or your civil partner, have and which is within the area of your council or authority.
- Any licence (alone or jointly with others) which you, or your spouse or your civil partner, holds to occupy land in the area of your council or authority for a month or longer.
- Any tenancy where (to your knowledge) –
 - the landlord is your council or authority; and
 - the tenant is a body in which you, or your spouse or your civil partner, has a beneficial interest.
- Any beneficial interest which you, or your spouse or your civil partner has in securities of a body where -
 - (a) that body (to your knowledge) has a place of business or land in the area of your council or authority; and
 - (b) either -
 - the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or
 - if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which you, or your spouse or your civil partner, has a beneficial interest exceeds one hundredth of the total issued share capital of that class.

If you attend a meeting at which any item of business is to be considered and you are aware that you have a **personal interest** in the matter which does not amount to a DPI, you must make verbal declaration of the existence and nature of that interest at or before the consideration of the item of business or as soon as the interest becomes apparent. You should leave the room if your continued presence is incompatible with the 7 Principles of Public Life (selflessness; integrity; objectivity; accountability; openness; honesty; and leadership).

You have a personal interest where –

- a decision in relation to that business might reasonably be regarded as affecting the well-being or financial standing (including interests in land and easements over land) of you or a member of your family or a person or an organisation with whom you have a close association to a greater extent than it would affect the majority of the Council Tax payers, ratepayers or inhabitants of the ward or electoral area for which you have been elected or otherwise of the Authority's administrative area, or
- it relates to or is likely to affect any of the interests that are defined as DPIs but are in respect of a member of your family (other than a partner) or a person with whom you have a close association.

Guidance on declarations of interest, incorporating regulations published by the Government in relation to Disclosable Pecuniary Interests, has been circulated to you previously.

You should identify any potential interest you may have relating to business to be considered at the meeting. This will help you and anyone that you ask for advice to fully consider all the circumstances before deciding what action you should take.

In certain circumstances the Council may grant a **dispensation** to permit a Member to take part in the business of the Authority even if the member has a Disclosable Pecuniary Interest relating to that business.

To obtain a dispensation, you must write to the Monitoring Officer at least 48 hours before the meeting in question, explaining why a dispensation is sought and desirable, and specifying the period of time for which it is sought. The Monitoring Officer may consult with the Independent Person or the Council's Audit and Standards Committee in relation to a request for dispensation.

Further advice can be obtained from Gillian Duckworth, Director of Legal and Governance on 0114 2734018 or email gillian.duckworth@sheffield.gov.uk.

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Climate Change, Economy and Development Transitional Committee

Meeting held 13 January 2022

PRESENT: Councillors Mark Jones (Chair), Barbara Masters (Deputy Chair), Tim Huggan, Dianne Hurst, Mazher Iqbal, Douglas Johnson, Chris Rosling-Josephs, Paul Turpin and Mike Levery (Substitute Member)

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1. APOLOGIES FOR ABSENCE

1.1 Apologies for absence were received from Councillors Neale Gibson and Martin Smith, with Councillor Mike Levery attending as Councillor Smith's substitute.

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 PREVIOUS MEETING

4.1 The minutes of the meeting of the Committee held on 10th November 2021, were approved as correct record and, arising therefrom, (a) the Chair reported that he had recently met with Councillor Douglas Johnson and relevant officers to discuss a work programme for the Committee, details of which would be shared with the Committee at a future meeting, and (b) the Policy and Improvement Officer (Alice Nicholson) reported that a document containing responses to all the public questions raised at the meeting had been circulated to the questioners.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 The Committee received questions from members of the public, and responses were provided as follows:-

5.2 Jenny Carpenter

As a member of South Yorkshire Climate Alliance, I am anxious to find out how successful the Council has been in rolling out Carbon Literacy Training to its Members and officers. The rapid reduction in carbon emissions that we need will only be achieved if each contemplated decision is taken with this as a priority.

I wish to put the question " Have all the Members of this Committee undergone Carbon Literacy training?

If not, will they do so as soon as possible to equip them better to serve in this capacity?

What steps are being taken to offer such training to all members and senior officers?"

- 5.2.1 In response, the Chair reported that online training on carbon literacy had been offered to all Council Members, and that refresher training would be offered on an annual basis. He added that a carbon literacy event had recently been organised for all Council employees.
- 5.2.2 Councillor Chris Rosling-Josephs reported that carbon literacy training had recently been provided by the South Yorkshire Pensions Authority for all its members.
- 5.2.3 Councillor Douglas Johnson reported that a carbon literacy training event had recently been held for all senior Council officers, at which around 120 had attended, and that the feedback in respect of the event had been very positive.
- 5.2.4 Councillor Dianne Hirst reported that any Council Members who had not been able to access the online training were able to view the material on the Members' online portal.
- 5.2.5 The Chair stated that the questions would be referred to Mark Whitworth (Sustainability and Climate Change Service Manager), with a request that he provides a detailed, written response to Mrs Carpenter, to include details of the content of the online training.

5.3 5.2 Anne Ashe

I'm involved with South Yorkshire Climate Alliance, which very much wants to see climate issues embedded fully in the Sheffield Local Plan: my question encompasses this topic.

I'd like to ask whether there has been any assessment of the contribution that each spatial option would make towards tackling climate change through:

- (i) supporting the Council's 2030 net-zero carbon target - eg using sustainable design;
- (ii) maintaining a net-zero situation after 2030 (and beyond the Local Plan horizon of 2039);
- (iii) facilitating renewable energy provision;
- (iv) enabling sustainable travel patterns;
- (v) reducing the impact of climate change and tackling its impact - eg maintaining a green cover to counter the urban heat island effect that is associated with rising temperatures (especially in the core urban area), protecting against extreme weather events, and ensuring a reduction in flood risk; and
- (vi) enhancing Sheffield's ecological status and achieving net biodiversity gain.

Related to this is the question of whether such assessments would form part of the site selection process for determining allocated sites once the spatial option has been chosen.

I agree with the Council's sequential approach for determining site allocations as set out in this useful paper and understand the difficulty of achieving the Government's revised and uplifted housing target for Sheffield. Has any assessment has been done on the option of increasing net densities so as to reduce the amount of land needed (so making the targets more achievable)? In terms of climate issues, this would have the advantage of supporting the development of walkable neighbourhoods, as advised in the (new) Essex Design Guide <https://www.essexdesignguide.co.uk/>

5.3.1 In response, Simon Vincent (Local Plan Service Manager) stated that the Local Plan would play an important role in reducing carbon emissions and responding to the climate emergency. The Local Plan could tackle such issues in two main ways, firstly regarding the spatial pattern of development, which related to where and how such development would take place. The second element would focus on sustainable design, and the option chosen today would be subject to policies around this, and which would be incorporated into the new Local Plan. The issues raised would be addressed through the site selection process. The Council would also be undertaking an Integrated Impact Assessment, which would look at the environment, equality and health impacts of the different development sites being proposed. In terms of density, all the five options in the report contained proposals with regard to intensification of development within the central area, though high densities were not appropriate everywhere, and consideration had to be given to the historic character of the area and the need to provide a mix of housing types. The new Local Plan would look to raise overall densities in other areas of the city, for example near District Centres and other locations with excellent accessibility by public transport. The Council would also consider the biodiversity of specific areas as part of the site selection process.

5.3.2 The Chair requested that Mr Vincent sends a detailed, written response to Ms Ashe.

6. SHEFFIELD LOCAL PLAN SPATIAL OPTIONS

6.1 The Committee received a report of the Head of Planning (Michael Johnson) setting out the overall spatial options for meeting future development needs in Sheffield, in the period to 2039.

6.2 Also in attendance for this item was Simon Vincent (Local Plan Service Manager), who introduced the report, highlighting a number of key areas

6.3 The report contained information on the Local Plan process, a summary of comments following consultation on the Sheffield Plan issues and options, housing need and land supply, employment land needs and land supply, alterations to the Green Belt boundary and spatial options. The report also set out five spatial options for accommodating future development, based on the identification of land

supply.

6.4 The report indicated that it was the intention for full Council to approve a draft Plan in September 2022, before further public consultation took place in October/November 2022. The approved Plan would then be submitted to the Government for public examination by April 2023.

6.5 Members of the Committee raised questions, and the following responses were provided:-

- If the preferred option chosen did not achieve the number of homes as prescribed by the Government, the Council would need to hold further discussions with the Government. The Council had passed a motion at its meeting on 8th September 2021, which had highlighted a number of the concerns raised as part of the workshops held to discuss the Local Plan, particularly regarding the uplift of 35% required by the Government. A letter setting out the concerns raised by Sheffield residents had been sent to the Government, and the Government had sent a very detailed response which, amongst other things, indicated that housing need figure (including the 35% uplift) was just the starting point for setting the housing requirement in the Local Plan. The Government accepted that not all areas would be able to meet their full housing need. The Council would be able to take account of its land supply and constraints, including Green Belt, prior to making a decision on the city's housing requirement.
- Weighing up all the options, particularly taking into account the need to provide a better supply of employment land, deliver more affordable homes and protect the environment where possible, officers believed that Option 4 offered the best way forward for the city. This would not result in large areas of the Green Belt being released. The Council would have to go through the site selection process to look at which sites would best meet the city's needs. Site specific exceptional circumstances would still be needed to justify taking land out of the Green Belt. There were significant risks/impacts with some of the other options. Current evidence showed that the Council could provide a housing requirement figure which supported the city's economic growth aspirations, and there would be no harm caused in setting a figure lower than that prescribed by the Government.
- With Option 4, officers did not anticipate the wholesale release of Green Belt land. It was more likely to be a limited number of sites where the overall benefits of development constituted exceptional circumstances. Regarding the possibility of Green Belt land being released to support the economic viability of reopening former railway lines, it was not anticipated that this would lead to a large number of sites being removed from the Green Belt. The risk of a railway line not being re-opened would have to be assessed as part of the consideration as to whether there were exceptional circumstances.
- The Green Belt includes fingers of open land that penetrate into the city's urban area, so some of these areas are relatively accessible by public transport and are close to jobs and services. Potential development sites in

the Green Belt would be assessed on a site-by-site basis through the site selection process if the Council is minded to support Green Belt release. Officers envisaged that there would be a small number of sites where it could identify site specific exceptional circumstances. It would be preferable to release a small number of strategic sites because it makes it easier to create sustainable new communities. There would be a limit to the number of homes that the private sector would deliver on each site annually, so development would be spread out over a long period of time. The majority of homes built each year would be on brownfield sites.

- The Council needed to follow the correct procedure in terms of choosing the spatial options, based on the city's land supply and constraints, prior to submitting the Local Plan to the Government for examination. As part of this process, during the examination process, the Planning Inspector could ask the Council to provide additional evidence, or even withdraw the Plan, if he/she felt it would be likely to be found unsound. In terms of opportunities to lever in funding from the Government, there was a clear Government agenda in terms of levelling up, as well as a desire for development on brownfield sites.
- 6.7 At the request of the Chair, Simon Vincent read out the letter received from the Government. Michael Johnson referred to the Government's willingness to listen to a different approach, and stated that it would be up to Members to decide exactly what that different approach would be.
- 6.8 Further questions were raised by members of the Committee, and the following responses were provided:-
- It was important to ensure that, when considering the options, the Council looked at what type of place and environment it would be creating. An inherent part of the process would be to look at the character of areas within the city, and select schemes, through the site selection process, which would not have any adverse effects on such areas.
 - The whole principle represented a sequential-led approach, and it was essential that the Government sought to maximise opportunities within the city's urban areas before considering whether it was appropriate or not to release Green Belt land.
 - As part of the previous consultation on the Local Plan in September/October 2020, there were three options, one focusing in the central area (Option A), the release of land for around 5000 homes in the Green Belt, with less development in the central area (Option B) and the release of land for around 10,000 homes in the Green Belt, with even less development in the central area (Option C). These three options did not directly correspond to the five options set out in the report now submitted, but there were overlaps in some areas. The Council would still be looking for a small number of strategic Green Belt sites where site specific circumstances would justify such a release, such as the need for older person's housing in a particular area of the city.
 - It was clear that there were significant viability challenges around delivery on a

lot of the city's brownfield sites. Conversations were currently being held with the Government around different types of relationships, predominantly strategic, long-term relationships, to deliver on large, spatial strategies. There was, however, a need for the Government to realise that things have got to change in terms of providing support for certain areas, specifically with regard to strategic partnerships and relationships moving forward. There were resources available, through the Sheffield City Region's Brownfield Fund, with a number of schemes in South Yorkshire having benefitted from such funding.

- The Government wanted the city to meet its 35% uplift in terms of housing development in the city centre, on brownfield sites. From the work undertaken through the Central Area Strategy and the City Centre Vision, the city was now able to accommodate around 20,000 homes in the central area, which was double the amount envisaged three years ago. Problems had arisen as a result of the Government changing the methodology in December 2020, and had failed to consult with those areas required to achieve the 35% uplift target, which meant there had been no analysis undertaken in terms of the implications of the uplift. The increase from 40,000 to 53,000 homes would be a major issue for the city.
- Whichever option was chosen, it was accepted that there would be developers and landowners who would argue their sites were better than the sites being put forward by the Council. There was therefore a need for the Council to have robust evidence in terms of the sites it put forward, and officers were confident that the Council could make a strategic and site-specific case for certain sites, regarding the regeneration of site-specific benefits that certain sites would offer. It was accepted that there would be risks in connection with opening the door for the release of Green Belt land more widely.
- There could be potential conflict with the Neighbourhood Plans, but the Local Plan, when adopted, would take precedence. It would be up to the Neighbourhood Groups to update their plans to fit in with the Local Plan, if necessary. The two approved Neighbourhood Plans, and others currently being developed, were moving forward on the basic principle set out in the National Planning Policy Framework, and as the same principles could be followed in the Local Plan, the Council would not anticipate any significant conflict between the principles set out in the two documents.
- Neither of the two Neighbourhood Plans allocated any land for development. The role of the Local Plan was to set out the amount of development that a Neighbourhood Plan should take, and it was then the role of the Neighbourhood Plan to state where and how such development should take place. If the Local Plan was proposing a development site in one of the Neighbourhood Plan areas, it was important for the Council to work with the groups to look at how and where development could take place.
- Most of the housing sites allocated in the former Unitary Development Plan had now been developed. Local Plans became outdated over time, hence the reason why Government required local authorities to update their Plans at least every five years. It was important that the new Local Plan safeguards land for

employment use, both within the central area and in other parts of the city. Once the Local Plan had been adopted, planning decisions on planning applications should normally be taken in accordance with the Plan.

- The impact of the Local Plan on the city would be significant, and this would become evident as the Plan progressed over the next few months.
- The Council was confident in the report produced by the consultants, Icen Planning, which had enabled the Council to look at what housing range it needed to meet its economic aspirations. There would be an opportunity to revise policies and alter overall growth requirements when the plan is reviewed. As part of any review, the Council could look at its evidence base and delivery to see if it had got things right or not.
- The Council would look at the ecological and social value of sites put forward. Appendix 1 to the report set out the maximum number of homes which could be delivered under each of the five options. As a result of the site selection process, it was unlikely that the maximum number of homes could be achieved as some of the sites could have been removed, such as those that had significant biodiversity value due to rewilding. Option 4 provided the flexibility to look at some of the sites which were less valuable in ecological and social terms through the site selection process. The most environmentally valuable sites would be excluded as part of the process. It was very likely that the figures in Appendix 1 would be lower, given the site selection criteria.
- The Council would have the ability to put forward a different approach as long as it provided logical reasons for doing so, and as long as it followed the guidelines set out in the report now submitted.
- Every year that passed, the city would lose approximately 2000 homes from its supply as brownfield sites are developed. Consequently, time was very important as the pressure to find places to put those homes increased. There were risks in terms of failing to meet the Government's targets, and the Planning Inspector would always have the opportunity of requesting the Council to reconsider its plans. Once the Local Plan had been submitted, the Council would meet the Planning Inspector after they had received the evidence. If the Inspector had any serious concerns, these would be highlighted at this stage.
- The first four options represented a capacity-led approach and every effort should be made to get as close to the Government's target as possible. The Council needed to determine the city's capacity, then weigh up all the pros and cons at each stage.
- Climate change would be one of the main elements included in the Local Plan. In terms of getting the process right, the first aim would be to get a Local Plan in place, and this would represent the tool by which future standards could be set. In addition, there was a need for a genuine strategic direction and identity about what the city wanted.

- There was no intention to build on all urban land in the city. There were approximately 3,000 units that could, in theory, be built on previously undeveloped land that has been put forward for development, but it was not envisaged that the final figure would be anywhere near this following the site selection process.
- Option 4 provided the Council with the option of maximising its flexibility around housing and employment sites. It also provided the Council with discretion for key, strategic opportunities, such as better employment sites and having a better geographical spread of homes, and delivering a mix of homes, across the city.
- In isolation, Sheffield residents would not want development on Green Belt sites, but many respondents to the issues and options consultation also wanted more affordable housing to be provided. Providing more housing land would increase the supply of affordable homes, but this would create some difficult choices for the Council in terms of providing homes and protecting the environment.
- In terms of the developers'/agents' feedback, as part of these issues and options consultation, they were favouring development on Green Belt sites in order to meet housing need and to support economic growth. Also, deliverability on brownfield sites created viability and practicality issues.

6.9 Following the responses to the questions raised, and the comments now made, Members were asked to state a preferred option and provide brief reasons for their choice, as follows:-

6.9.1 Councillor Barbara Masters - Option 3

Concerned that there's not enough protection for our Green Belt under Option 4. If brownfield sites are not attractive to developers because of problems such as contamination, we should make an attempt to address that. Some greenfield sites having low biodiversity should not be used as an excuse for their development as this can be changed. Option 3 will allow us to focus on improving land in the city, not just for housing, but also employment. Otherwise, developers will put pressure on further development in the Green Belt.

6.9.2 Councillor Mazher Iqbal - Option 1

At this moment Option 1 and want to go back and speak to Government. It is important to have a conversation with Government, and it is needed soon. The impact of the Covid Pandemic has highlighted the need for space outside and inside, which has not been reflected in the Government methodology/design requirements. We should reconvene after a conversation with the Government. This moment in time it is Option 1, but could change once we have agreement with the Government. We have until October 2022 before consultation is due to take place on the Draft Plan (in accordance with the Local Development Scheme).

6.9.3 Councillor Douglas Johnson - Option 4

Important to grasp nettle now. Option 4 gives most flexibility on sites, this needs to come with safeguards that we really need for sites e.g. ecological significance or lack of infrastructure now or likelihood in future.

6.9.4 Councillor Mike Levery - Option 3

This is the perfect clean up opportunity for Sheffield, to clean up our industrial heritage, so that we have the framework for development management on sites that work for the city overall. This will also ensure we develop all our brownfield sites with a target at the upper end of the predicted growth for the city.

6.9.5 Councillor Tim Huggan - Option 3

Concerns about Green Belt makes this the better option, and believe we have a strong case to argue with the Government for an alternative approach for sustainable growth.

6.9.2 Councillor Paul Turpin - Option 4

Bearing in mind we won't hit maximum number of homes each year for each option, we need to protect land of highest ecological and social value. This is the option with most flexibility; look forward to contributing to site selection criteria development.

6.9.7 Councillor Dianne Hurst – Abstained

Unable to choose between Option 3 or 4, as Co-chair of the Planning and Highways Committee, I see the urgent need for agreed Local Plan and that officers have very little to manage the refusal of inappropriate development because there's no framework. Option 5 is the only one we can choose to meet the Government targets, but we need the least harm option to proceed to consultation, doing what we can to protect, build sustainable communities, and give officers the framework.

6.9.8 Councillor Chris Rosling-Josephs - Option 3

Unsure which is best – want more reassurance from the Government that their methodology is correct. Things have changed in the last 18 months/2 years that we can't factor into their methodology. We need a conversation with the Government, for people within city to have reassurance we are getting the best sustainable option for the city – Option 3 is more sustainable.

6.9.9 Councillor Mark Jones - Option 3

Thought about what I thought Sheffield is and where I want Sheffield to be. It is dangerous to build on just brownfield land. I want to see social justice, good quality affordable housing, that is genuinely affordable, and I don't believe this will be delivered on greenfield. I am cautious about opening the door and allowing unscrupulous developers to come into Sheffield and try and deliver housing on our

Green Belt sites. I want to see high liveability as the goal, homes fit for people to live in. Need safeguards, but do not trust holding back the wedge, err on side of Option 3. I want this outcome from this Committee shared with the Government, and want that conversation, and for DLUHC ministers to come back with a sensible head on.

6.10 RESOLVED: That the Committee:-

- (a) notes the information contained in the report now submitted, the information now reported and the responses to the questions raised;
- (b) thanks Michael Johnson and Simon Vincent for attending the meeting, and responding to the questions raised; and
- (c) requests that the preferences now made, together with the reasons for the preferences, be referred for consideration by the Co-operative Executive at its meeting to be held on 19th January 2022.

7. RESPONSES TO PUBLIC QUESTIONS RAISED AT THE MEETING HELD ON 10TH NOVEMBER 2021

- 7.1 The Committee received and noted a schedule produced by the Policy and Improvement Officer (Alice Nicholson) setting out the responses to the public questions raised at its meeting held on 10th November 2021.

8. DATE OF NEXT MEETING

- 8.1 It was noted that the next meeting of the Committee would be held on Thursday, 10th February 2022, at 10.00 am in the Town Hall.



Report to Climate Change, Economy and Development Transitional Committee 10th March 2022

Report of: Mick Crofts – Place, Tom Finnegan-Smith – Head of Service for Sustainability, Transport and Strategic Infrastructure

Subject: Domestic Retrofit working group

Author of Report: Victoria Penman

Introduction

Following the meeting of the 10th February 2022, on 24th February 2022 members of the Climate Change, Economy and Development Transitional Committee met virtually to hear evidence from representatives of four organisations leading in the field of domestic retrofit:

Attendee	Topic
Wayne Bexton Nottingham City Council Director of Carbon Reduction, Energy and Sustainability	Fuel Poverty and Energy Efficiency Retrofit Briefing
Mark Atherton Greater Manchester Combined Authority Director of Environment	RetrofitGM - Accelerating the renovation of Greater Manchester's Buildings
Lewis Sharman People Powered Retrofit	Community-led Retrofit Services
Chris Bryan Savvi Lettings and Property Management	Private Landlord Perspective

The summary notes of this meeting and presentations from the speakers are attached with this paper, alongside a summary of the skills arrangements for Sheffield.

Over the course of the session, seven general themes came through from the evidence provided by external attendees, and from the questions from committee members. These are outlined below.

Key Themes

1. Clarify Council approach to funding to enable Officers to maximise the benefit of available resources and get bids 'in the bottom drawer', including how we can utilise opportunities such as Levelling Up.
2. Regional collaborative approach is key to increase buying power for successful grant bids and maximise skills development.
3. Address cost and benefit is critical for Private Rented Tenure, improving out engagement, having the right tools to support action and engage landlords to participate in retrofit.
4. Engage with residents early to test generic assumptions, barriers, and willingness of local population.
5. Understand SCC and City property stock and archetype; Understand our maintenance schedule.
6. Target ready-to-act through the development of an informed homeowner offering for those able and willing to act now can begin to support retrofit in homeowner occupant tenure, enable scale up of activity, and development of the sector with a view to drive down costs.
7. Building skills and supply chain will be crucial to enable delivery at scale and at an affordable cost. The Council has roles in procuring housing works, setting regulatory standards and in supporting the development of skills

Next steps

The Council transitions to a full committee system in May, and governance arrangements are currently being finalised, but the March meeting of the Transitional Committee will be the last.

The Council Housing Decarbonisation Pathways work focused on our own stock is continuing to understand the archetypes and solutions, and work will also start on the wider Housing Decarbonisation Routemap to identify the actions needed to accelerate decarbonisation of the housing stock.

The evidence heard by the Committee and its reflections and recommendations on next steps can inform the new committee structures and support the work of officers during the transition to the new system.

The Committee is being asked to:

- Reflect on the evidence provided to it in the February meetings
- Consider if the key themes identified are correct
- Provide a report to Officers and to the subsequent Committee (or Committees) to outline the current position and to make advisory

recommendations for actions to continue, improve and accelerate activity

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Evidence Hearing 9.30am-12.30pm 24 th February 2022, MS Teams		
Attendees		
Members	Officers	
Cllr Mark Jones (Chair) Cllr Barbara Masters (Co-chair) Cllr Douglas Johnson Cllr Dianne Hurst Cllr Martin Smith Cllr Paul Turpin Cllr Tim Huggan	Alice Nicholson Laura Chippendale Victoria Penman Mark Whitworth Jill Hurst Georgina Parkin Nathan Robinson Gareth Urwin Andrew Cooper	
Speaker	Organisation	Topic
Wayne Bexton Director of Carbon Reduction, Energy and Sustainability	Nottingham City Council	Fuel Poverty and Energy Efficiency Retrofit Briefing
<ul style="list-style-type: none"> Fuel poverty strategy is key to Nottingham’s retrofit work and it the key document quoted when bidding to funds and ensures this is done in city-wide partnership. Delivering a number of projects under the one “Greener Housing” banner. Approach has been to tackle worst properties first to bring market costs down, based on 10 archetypes. Also looking at less challenging properties in line with Nottingham City Homes (NCH)s maintenance programme, however these do have less benefit and not the focus of the underpinning Fuel Poverty strategy. Archetype enables them to pinpoint and target properties to treat the lighter touch properties as well as more focussed, deeper retrofit. Regional approach wins the day – Nottingham hosts the Midlands Energy Hub (Midlands Net Zero Hub), enabling a route direct from treasury to Midlands for funding to be spent in the region. Nottingham has brought in around £55mil Grant towards this delivery so far by increasing the volume of properties in tenders through collaboration. Including innovation in bids can gain wider source of funding. Maintenance spend is utilised as match funding, and where possible, bringing this forward to prevent future spend. Target financial mechanism is no net increase to HRA or tenants, which often appears unachievable, but bringing in finance officers early to develop and analyse the model assists with buy-in. Intense and ongoing scrutiny is critical to avoid ending up in a negative scenario. The two key pillars are “understand your property stock; understand your maintenance schedule”. Have delivered several Energiesprong projects (RemoUrban, E=0, DREeM) that enabled the setting up of a local manufacturing hub for panels and looked at how de-risk the work legally and financially. Comfort guarantee built in with third party contractor. Nottingham City Council encouraged SMEs to partner with larger companies to participate and de-risk. Cost of guarantees and performance requirements does inflate the cost per property, but this is a relatively small proportion as there is confidence in the product/technology. Currently delivering Destination Zero which focuses on an asset management approach, utilising the HRA to match up future planned maintenance costs to bring forward and deliver now (If we do this now, we won’t have to do it as planned in the future). Really important to get the financial model right. Also focusses on local skills and apprenticeships to boost local economy. Behavioural change is fundamental to achieve energy efficiency performance. Smart controls help but retrofit requires prolonged liaison to ensure properties act how they are designed to. Tenants should be engaged at earliest point possible. Starting to see prices reduce as work is scaled up. Ongoing cost reduction is worked into contractor contracts, and confidence is creeping into the wider market. This will avoid “missing tooth” conundrum with not having an offer for private. Economic benefit of these projects is hundreds of local jobs. Recent Low Carbon Economy Study shows this is the largest growing employment sector regionally. 		
Speaker	Organisation	Topic
Mark Atherton Director of Environment	Greater Manchester Combined Authority	RetrofitGM - Accelerating the renovation of Greater Manchester’s Buildings
<ul style="list-style-type: none"> GMCA, its 10 Manchester Local Authorities and wider partners have co-created the broad retrofit response and development of programmes across Greater Manchester. Programmes are delivered through the local authorities, public bodies, and social landlords. Retrofit is not easy, no-one has all the answers and sharing knowledge is key. 		

- Main challenge is that finances don't stack up at the moment. GM have been working with BEIS looking at Net Present Value (NPV) of decarbonising buildings and current NPV is negative but the social NPV may change to positive with the energy price increase and upgrade in carbon price in the Green Book.
- 18 months work has been undertaken to develop approach with additional learning from other demonstration programmes. Aiming to achieve goal of Net Zero by 2038, but this presents conflict in timeframes with National Strategy, and does not match up with Central Governments pathway thinking. More attention on "no regret" solutions is needed.
- Undertook a whole public and domestic stock analysis to identify archetypes and suitable interventions, as well as on people's current beliefs and willingness in relation to retrofit activity. While scale of change is not happening quick enough and the need is to get more people retrofitting, this still identified significant number of properties that can be focussed on in the next few years.
- Homeowner engagement is key, sooner the better. A lot of information out there already so generic feedback is good starting point, but there are regional differences so is also necessary to test assumptions and willingness with local population. Research has shown people are more willing to retrofit as they move home or alongside other renovations.
- A Retrofit Taskforce was then set-up, bringing together regional stakeholders (developers, skills providers, social landlords, commercial owners, finance bodies) into a group to accelerate retrofit. Their action plan is due to be released next month, which will focus on boosting skills, overcoming the barriers of finance, and speeding up delivery.
- Strong confidence in demand is needed to underpin development of wider skills development and job creation. In-depth research with Universities, Academia and Employers to understand the retrofit skills landscape, gaps and future employment needs has enabled the develop of the Retrofit Skills Hub and proposed an integrated education pathway from schools through to higher education for people to move into this sector. It's anticipated that long-term demand for retrofit skills is unlikely to reduce in the next 30 years, so this provides the opportunity up upskill and reskill rather than see job loss and provide employers with long-term confidence to invest in developing skills.
- GM has already piloted Demand Aggregation for PV, but only about 25% EOI's led to installation due to the absence of a low-cost finance offer alongside it. Climate Bonds and Property linked finance, a concept where financing for retrofit stays with the property and not the individual when ownership changes, is also being looked at.
- The next step in GMs approach is to target willing-to-pay to create a market and certainty for supply chain to invest in and increase employment in the sector by solidifying demand. RetrofitGM is an offer aimed at willing-to pay customers, which looks at targeted customer engagement and creating informed customer base, provide an unbiased assessment of the measures needed and likely cost, offer a project management service, support delivery of the works and undertake quality assurance to provide certainty and confidence to homeowners. Also continuing to support grant and other financial mechanisms to be focussed onto social housing and public buildings.

Speaker	Organisation	Topic
Lewis Sharman	People Powered Retrofit	Community-led Retrofit Services

- People powered Retrofit are a Greater Manchester based community organisation who deliver a one stop shop for retrofit born out of a partnership between Carbon Co-op and URBED. Started as a BEIS funded pilot project, incorporating in 2021, raising £750k and gaining 350+ members. They have now began trading and scale up.
- They provide 4 key services; End to end service for homeowners; Training offer to develop retrofit skills; Supply Chain development; and a replication service for other organisations wanting to build similar services.
- Research has told them that some people want to get in technical detail, others are less bothered about knowing the details, others have had ~~some~~ assessment work done but are not clear how to move their retrofit project forward. Research also showed that reducing energy bills was not the number 1 priority of their members, in fact reducing carbon emissions and staying warm were the key drivers for wanting to act. Climate resilience and improving for future generations were also in the top 5 priorities.
- Mapping and research enables you to target resources for maximum results and benefits, as well as develop pilots. One size does not fit all so iterative and flexible development will enable the approach to learn, evolve, and succeed.
- Currently focussed on working with the willing; innovators and early adopters who are more engaged in net zero retrofitting. To do this, they undertook analysis on personas and mapping to understand potential clients based on profiles, and plan how to target resources.
- 3 key personas were identified as willing-to-participate, Climate pragmatists tend to be family's wanting a comfortable home, civic minded retirees who want to leave a legacy and secure comfortable home for retirement and climate idealists, where climate concerns are the key motivator and are more likely to undertake deep retrofit.

- Knowing who clients are, and where they are based allowed community-based social marketing. This focussed approach has also shown a far lower need for marketing in order to bring clients on board. They found that the pandemics impact on reducing in-person engagements did not impact ability to on-board clients
- They work with the supply chain for an open-source approach, identify quality contractors and ensure the delivery matches the design. Have mapped local contractors and building training courses to support employers engage in this market.
- It is critical that you engage and respect existing supply chain expertise and networks, ensure there is the provision for practical training and knowledge sharing, as well demonstrating demand from “good” clients to provide confidence to those investing time and skills.
- Approach is Fabric First, however the whole house is assessed for different solutions and to ensure future compatibility. They also have a preference for low impact materials, such as wood-based insulation over plastic.
- The end-to-end service for homeowners provides support from initial advice, planning and design development to procurement and delivery support, and final handover. This is provided by Retrofit Advisors, Retrofit Surveyors (who PPR deem equivalent to qualified Retrofit Assessors and Retrofit Co-ordinators), architects and contractors. Retrofit Surveyors mitigate the risk to PPR as a consultancy by providing quality assurance. URBED have carried design liability, contractors carried delivery liability and need to install according to design.
- Clients are happy to pay for advice and key services and they have high levels of client satisfaction, assessment fees range from £500-£1,000. Project values range from £5k-£100k currently being delivered, and this appears to be aligned with other home improvements such as moving house or renovating/extending. For those with less disposable income, they encourage planning and “starting the journey” at the lower end.

Speaker	Organisation	Topic
Chris Bryan	Savvi Lettings and Property Management	Private Landlord Perspective
<ul style="list-style-type: none"> • As a private landlord, there are various obstacles in the way of proceeding with Net Zero retrofit that determine why or why not someone might proceed with this. • Main challenge is the split between cost and benefit – cost is to the Landlord, but do not receive the direct benefit (reduced global emissions and lower costs for tenants). Net Zero retrofit works are believed to be considered improvement works are also not tax-deductible in the same way repairs are therefore they also pay capital gains tax. Policy change would do more to support this. • Some low carbon technology, such as air source heat pumps, can also lower the EPC rating, as the calculations are based on cost-effectiveness, not carbon efficiency, presenting a conflict between Net Zero ambitions and National policy on EPC improvements. Due to this, heat sources wouldn't be the priority if retrofit was being considered, focus would be on fabric first, as these both reduce carbon and improve EPCs. • Properties that open onto streets, public land or other properties having external wall insulation also need to consider 'land-grab' as this would change the property boundaries and building footprint. • Tennant behaviour doesn't change as often aren't knowledgeable how to reduce energy consumption within the property and seeing wasteful behaviour, such as heating with windows open, is common. • It's not currently common for tenant to approach landlords to discuss shared costs for retrofit works but believes the majority of private landlords would consider this approach with measures such as percent contribution. There is a risk tenants could end up paying their own contribution, and the landlords as well through increased rent due to increase property value, however this could be addressed through an agreed period of frozen rent. • Banks are now asking Landlords for EPC schedules on mortgaged properties ahead of changes on EPC rental requirements to de-risk future investments, as below EPC C will become unrentable and therefore un-mortgageable as a Buy-to-let. • In the future, there may be the opportunity for landlord to change letting business models, but currently, demand outweighs supply, meaning that properties with low EPC scores are in equal demand to properties with high EPC scores, and increasing attractiveness of properties is not business critical. As EPCs and fuel prices rise and attitudes change, this may become more emphasized. Landlord will move with the market force. • Equity release on a retrofitted property to be able to fund the next property could be an option, but there would need to be understanding around the valuation differences between equity release value and resale value, as well as local comparable, to ensure the business case stacks up • When considering new investments, issues around retrofit, Net Zero and climate change are likely to become considered factors, and mortgages with 'green' benefits, such as lower interest rates with a commitment to undertake energy improvements, could further encourage landlords to undertake retrofit. • Landlords would need prolonged engagement and education on both the obstacles to retrofit and the solutions available before being able to proceed with retrofitting the tenure at scale. • Emphasising how energy efficiency, and therefore low energy costs, supports sustained tenancies and stable business revenue so would be a positive benefit to encourage landlords to undertake retrofit works. 		

Officer and Member Comments

- Policies and strategies need to be informed by understanding of the complex finances that sit behind homeowner and landlord participation in retrofit beyond just the capital cost of works, such as tax implications, property value and saleability, and what financial mechanisms could address these deeper complexities.
- Reflection on size of teams in other Local Authorities working on this agenda compared to Sheffield. We do have commitment to increase resources, however it would be good to understand how other LA's are structured to support and fund further positions. How can we learn from this difference in practise to gain more resource behind us to deliver this? Could we develop revenue-generating services alongside delivery to ensure we can access resources when needed and not in delay?
- Climate change is the golden thread through everything we do. Sheffield has the expertise within the Council, and significant work is being undertaken towards the Net Zero agenda, however we need to change the way we are structure and the way we work to tap into that and move away from siloed working.
- There appears to be regional difference in levels of collaboration to increase buying power for more successful bids. Some LA's have been very proactive in seeking grant, as well as being proactive in bring regional energy hubs into the process. Can members influence the regional response and improve collaboration with partners?
- There are clearly a lot of opportunity, but we need to be clear exactly what this is in Sheffield to focus and move this forward.
- The vision needs to be stepping this up, but also improving how we communicate with and engage residents about the work that is happening now as well as what could or needs to happen moving forward.
- Officers spend a lot of time chasing funding and trying to shoe-horn an approach to match that, we are looking for clarity on funding approach/intentions moving forward.
- We are also already understanding details analysis and research into archetypes and stock, clarity is needed on the policy approach once this work concludes, are we going for low hanging fruit for numbers or tackle the worse performing conditions?

Summarised points for consideration:

- Engage with residents early to test generic assumptions, barriers, and willingness of local population.
- Understand our property stock; Understand our maintenance schedule.
- Clarify approach to funding to enable Officers maximise the benefit of available resources and get bids 'in the bottom drawer'
- Regional collaborative approach is critical to increase buying power for successful grant bids.
- Development an informed homeowner offering for those able and willing to act now can begin to address homeowner occupant tenure.
- Addressing cost and education is critical to address Private Rented tenure and engage landlords to participate in retrofit.
- Building skills and supply chain will be crucial to enable delivery at scale and at an affordable cost

Outcomes

Key Considerations for Final Session	Work in Progress
Clarify Council approach to funding to enable Officers maximise the benefit of available resources and get bids 'in the bottom drawer', including how we can utilise opportunities such as Levelling Up.	
Regional collaborative approach is key to increase buying power for successful grant bids and maximise skills development.	Housing have engaged with NE Energy Hub and Sheffield City Region, but hasn't gained traction or resulted in collaborative bids as other LA's haven't wanted to collaborate
Address cost and benefit is critical for Private Rented Tenure, improving out engagement, having the right tools to support action and engage landlords to participate in retrofit.	Updating private sector condition data to further understand energy performance and hazards. RLB* Roadmap to be replicated for Private Tenure (*Rider Levett Bucknall Sheffield - RLB Europe) Increasing prevalence of largescale absentee landlord is likely to be a particular challenge.

<p>Engage with residents early to test generic assumptions, barriers, and willingness of local population.</p>	<p>SCC has been successful in gaining a place on a Climate Engagement Programme which will increase the level of skills within the organisation to engage with communities on climate change specifically.</p> <p>Comprehensive resident engagement plan scheduled for development late 2022</p>
<p>Understand SCC and City property stock and archetype; Understand our maintenance schedule.</p>	<p>RLB commissioned to develop Road Map to Zero for SCC housing to develop</p> <p>Improving intelligence on Council homes through stock condition and EPC surveys, specific feasibility studies on boiler houses.</p>
<p>Target ready-to-act through the development of an informed homeowner offering for those able and willing to act now can begin to support retrofit in homeowner occupant tenure, enable scale up of activity, and development of the sector with a view to drive down costs.</p>	<p>Sharing information, provide technical advice and support, help with grant, energy cost/companies and contract etc but do not yet have the full end-to-end offering</p>
<p>Building skills and supply chain will be crucial to enable delivery at scale and at an affordable cost. The Council has roles in procuring housing works, setting regulatory standards and in supporting the development of skills</p>	<p>Increased Housing staff resources, skills development around decarbonisation and Net Zero, including PAS 2035 qualifications.</p> <p>Opportunity Sheffield have prioritised Green skills and working is commencing to engage with local providers to try and get them to expand their offers, particularly around retrofitting.</p> <p>Sheffield City Council and South Yorkshire Mayoral Combined Authority (SYMCA) working with colleges and independent training providers to develop retrofit curriculum, as well as through the <i>Executive Member</i> for Inclusive Economy, Jobs and Skills who sits on the Education, Skills and Employment Board and through officer liaison.</p> <p>Skills identified as a key area in the draft 10 point Plan to enable progress towards a net zero Sheffield</p>

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Report to Climate Change, Economy and Development Transitional Committee 10th March 2022

Report of: Policy & Improvement Officer

Subject: Climate Change, Economy and Development Transitional
Committee Activity Report March 2022

Author of Report: alice.nicholson@sheffield.gov.uk

Transitional Committees were introduced to provide an early opportunity for Members to work on a cross party basis, advising the Executive in advance of decisions being made, as we make the transition to a Committee System in 2022/23. Transitional Committees were advisory to the Co-operative Executive, and the workplans focused on key topics for the administration, aligned to the One Year Plan. This report sets out the topics, activity of work, the Committee considered in this Municipal year.

The Committee is being asked to:

Note the content of this report on the activity of the Climate Change, Economy and Development Transitional Committee 2021/22

Background Papers: none

Category of Report: OPEN

Transitional Committee 3 – Climate Change, Economy & Development
Meeting dates 2021/2022: 7th October, 10th November 2021, 13th January, 10th February, 10th March 2022
Chair: Mark Jones, Deputy Chair: Barbara Masters
Co-operative Executive Members: Terry Fox, Douglas Johnson, Paul Turpin
Senior Lead Officer: Mick Crofts, Executive Director, Place Portfolio

Completed Work Plan 2021/22

Our Future Approach to Priority Budgeting	Discussion on longer term priorities that will inform priority based budgets.	This was considered October 7 th Meeting
Central Area Strategy	To support the Co-operative Executive in shaping the future plan for the city centre in line with the One Year Plan commitment on this.	This was considered October 7 th Meeting
Pathway to Net Zero: Update on 10-point plan	To support the Co-operative Executive in the 10-point plan process towards Net Zero	This was considered October 7 th meeting: Initial update on process for the 10-point plan and adoption by the Council, agreed return of draft 10-Point Plan 10th November; subsequent workstream on Domestic Retrofit was agreed by the Committee
Ethical Procurement Workshop	The Council's Ethical Procurement Strategy is in the process of being updated to include sustainability requirements	There was a virtual workshop October 21 st for members of the Committee

Local Plan	To advise the Co-operative Executive on the development of the Local Plan, in support of the One Year Plan commitment to take decisive steps on this during 2021 and 2022	The Committee engaged in a programme of hearing evidence and briefing in regard the Local Plan Spatial Options and met on 13 th January 2022 to advise on their preferred spatial option – each Committee member stated a preference and why
Climate Change Action Plan - Domestic Retrofit	The Committee undertook a short task and finish review gathering information on options for and experience elsewhere in England of Domestic Retrofit Programmes	Concluding Session at Meeting on 10 th March to determine key points / options to advise the Executive in regard Domestic Retrofit for Sheffield

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