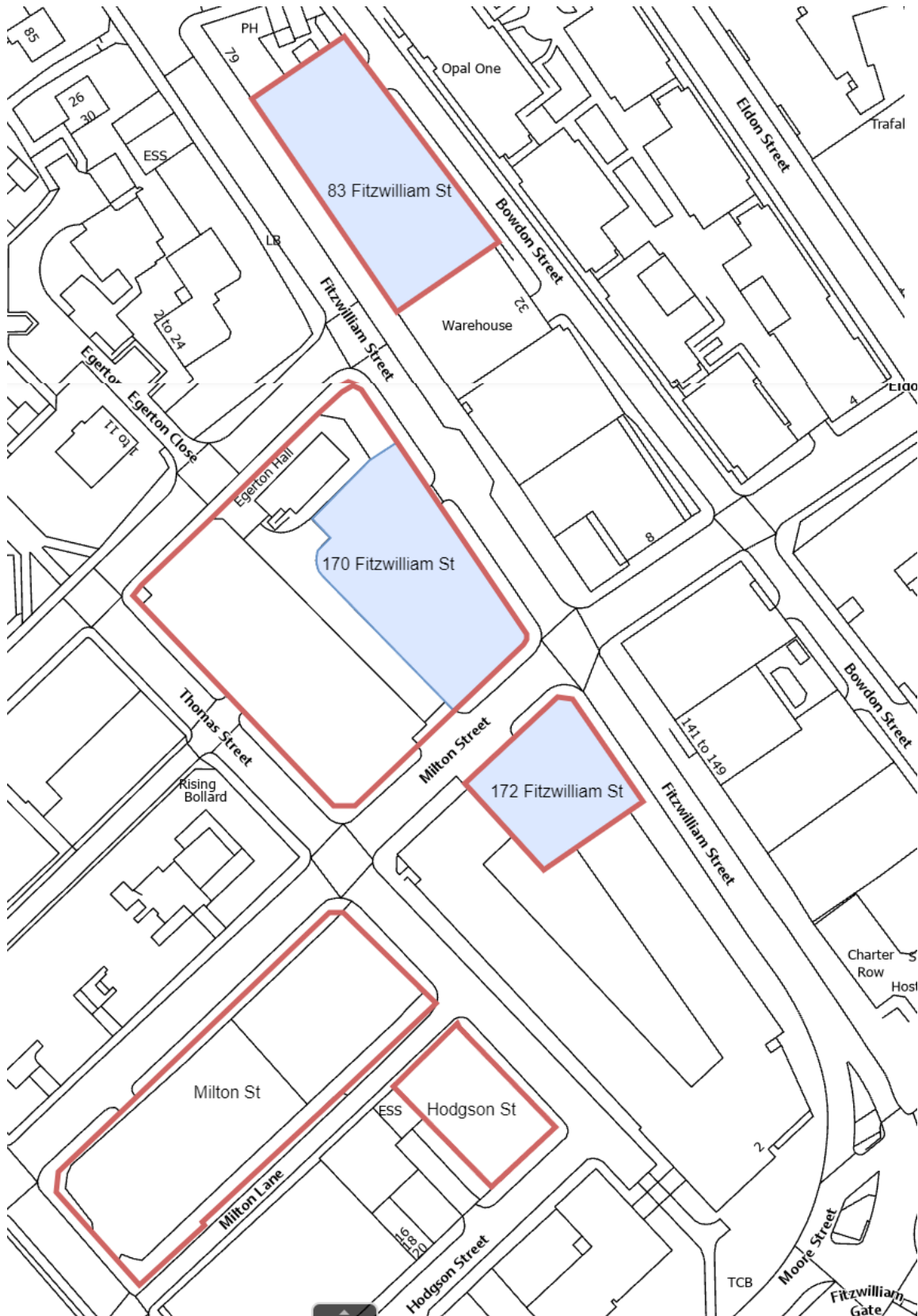


Appendix B

Milton St neighbourhood: proposed land disposal strategy

Council freehold ownership outlined in red; leaseholds to others shaded blue.



MILTON ST CAR PARK (Sheffield Plan Site Ref: part of HC25)

Background:

The site was purchased by the Council following a Cabinet decision in October 2017 to acquire key regeneration sites in the Devonshire Quarter, with a view to “creating a more sustainable mix of housing types in the City Centre”. A proposed housing development had previously been aborted and the cleared site was converted to a car park by the Council pending redevelopment.

Strategic considerations:

The site lies opposite the Grade II Listed Eyewitness Works and this places restrictions on acceptable development. The recently revised Informal Planning Advice Note (IPAN) for HC25 stipulates a maximum height of four storeys for the Milton St part of the site, which will reduce its economic attractiveness for apartment development.

However, this does create an opportunity to deliver exemplar city centre family housing on a more familiar domestic scale: townhouses and/or maisonettes, creating an active street frontage and homes that people will want to stay in for the long term, taking advantage of the relatively family friendly environment in Devonshire Quarter, with open space at Devonshire Green, Gell St playground, Springfield Primary School and the Broomsprings estate with its high proportion of family homes.

Build to Rent is superseding student housing as the predominant tenure in the neighbourhood. Eyewitness Works was initially conceived as a private sale development but switched to BTR due to market conditions, and SkyHouse DQ may follow. In this context, it becomes more important that the Council uses its own assets to achieve a mix of housing as per the original 2017 Cabinet decision to acquire them.

The Council could market the Milton St site with a requirement to deliver homes for owner occupation, to encourage a mixed and less transient population. However, should the current market conditions continue to prevail, this could limit developer interest in the site if there were no provision to allow a switch in tenure if necessary.

Affordable Housing offers a potential solution to the transient population issue created by student housing and Build to Rent: shared ownership delivers the benefits of owner-occupation to the neighbourhood but with less risk to a developer (assuming a housing association), due both to the scarcity value of shared ownership and the fallback position of conversion to social/affordable rent. Because those rented tenures provide secure tenancies, any conversions to rent would not undermine the objective of increasing the proportion of long-term residents in the area.

The Housing Growth Service are reviewing Council-owned land to identify opportunities sites for housing associations.

Proposal:

It is proposed that the site at Milton St be brought forward for a scheme of majority family housing to broaden the residential offer, taking advantage of the opportunities presented by the scale limitations in the IPAN. Should the site be selected as mentioned above for proposed disposal to a housing association, the scheme should include a significant proportion of shared ownership, in order provide opportunities for owner-occupation denied by recent and potential conversions of other schemes to Build to Rent.

Regardless of tenure the scheme will need to align with the IPAN prepared for the site – which sets out the site’s key location within the neighbourhood as a whole – and be of high architectural quality, enhancing the public realm.

HODGSON ST (Sheffield Plan Site Ref: part of HC25)

Background:

As with the Milton St, this site was also purchased in 2019 following the 2017 Cabinet decision. It was a more complicated site, where a basement car park for a new housing development had been partially constructed, then aborted. The site had lain vacant for over a decade and standing water had filled the basement.

In 2023, the Council secured funding from the One Public Estate Brownfield Land Release Fund to remediate the site ready for redevelopment. The water has been pumped away, exposed rebar removed or boxed in, and the basement partially refilled with clean material, creating safe access when required.

Strategic considerations:

The conditions of the remediation grant require the Council to complete the sale of the land by March 2026.

The IPAN for HC25 stipulates a limit of 7 storeys on this part of the site, aligned with The Printworks development on Hodgson St. With the student housing scheme opposite rising to 12-15 storeys in parts, this site is suitable for apartment development, rather than townhouses or maisonettes.

The adjacent site at 16 Hodgson St, in private ownership, had permission for 77 apartments but this has expired. Ideally, the two sites would be developed out as one, both to deliver a cohesive redevelopment and to achieve economies of scale. The Council could explore joint marketing of the sites, though it could be that the owner prefers to retain their asset and develop it themselves.

An alternative approach would be to combine the Hodgson St site with the Milton St site and create a larger development opportunity from the Council's land alone, encompassing the entire HC25 site allocation. This would also create economies of scale, which may allow improved design standards and/or an improved capital receipt for the Council, compared to Milton St as a standalone scheme. However, this approach might also increase the risk that 16 Hodgson St remains undeveloped for a period. It may also be that developers prefer to develop one part of HC25 or the other, given that they lend themselves to different types of housing.

Proposal:

It is proposed that the Council markets the site, including exploring the potential for marketing jointly with the neighbouring owner, both to establish the value of the Council's site as a standalone opportunity and to assess the possibility of delivering the Hodgson St sites as one scheme. Following this exercise, it will be possible to make an informed choice whether to proceed with the Hodgson St site, separately, or whether to combine it with Milton St.

170 FITZWILLIAM ST (Sheffield Plan Site Ref: HC15)

Background:

The site comprises:

- vacant land at Thomas St
- Egerton Hall, purchased in 2020 following the 2017 Cabinet decision, currently in use by Capital & Centric
- FW Wallace Ltd motor repairs, for which the Council has the freehold, with FW Wallace holding a long lease.

Discussions are ongoing in relation to the future release and redevelopment of this land. FW Wallace is a long-established business within the city and relocation of this business may be required to enable development to be brought forward. Further details of any proposed disposal would be put before Finance Committee.

Strategic considerations:

Like Milton St, the site faces Eyewitness Works. However, the alignment is different, such that similar restrictions on height will not apply, at least not across the whole site. Therefore, this site will be apartment-led, rather than townhouses, though stacked maisonettes could potentially play a role in creating an active frontage.

That the scheme is apartment-led does not mean that it cannot be designed with a variety of residents in mind, including families. Elsewhere in the city centre, masterplanning exercises are focusing on typologies that can deliver homes for the long term at reasonably high densities. For example, gallery access blocks can provide dual aspect apartments with secure central courtyards in which children can be observed, and play safely.

This site could be well-suited to a similar development, with opportunities for owner-occupation. However, the scale of the site, accommodating over 100 homes, means that a 100% market sale scheme is unlikely and a rental tenure is likely to play a significant role. Within a market-led scheme of this size, this would usually be to the exclusion of private sale as a developer looks to maximise the number of BTR units on site to ensure the viability of the scheme.

Affordable housing would offer an alternative route and an opportunity to achieve more of a balance between sale and rented tenures within the scheme but to pursue that approach would, probably, require the Council to acquire the leasehold interest in the site.

Proposal:

Continue to participate in discussions to enable the future release and redevelopment of this land. However, if the opportunity does arise to acquire the leasehold interest, this should also be considered.

172 FITZWILLIAM ST (Sheffield Plan Site Ref: HC21)

Background:

The Council is the freeholder of this vacant site, formerly a car sales and servicing business. A lease is held by a property development company.

Planning permission was granted in 2019 for 93 apartments across 11 storeys. The Council has been pursuing a joint sale with the benefit of this permission.

Strategic considerations:

Given the size and location of the site, an apartment block is the only viable residential use. The size of the block is beyond that which would usually be attractive to a social landlord.

Proposal:

Continue, as freeholder, to seek a joint sale for private redevelopment.

83 FITZWILLIAM ST (Sheffield Plan Site Ref: HC13)

Background:

The Council is the freeholder. A long lease is held by a property development company.

Planning permission was granted for a student studio housing scheme in 2020 but, as freeholder, the Council did not give its consent for that scheme to proceed as further student housing did not align with the vision for the area.

A subsequent planning application for a revised scheme was refused in 2023 due to design considerations.

Strategic considerations:

Given adjacent buildings the site lends itself to apartment development but, as per the Sheffield Plan policy for this area, this should not be student housing, and should meet Nationally Described Space Standards, to broaden and improve the residential offer in the neighbourhood.

Proposal:

The Council should be open to negotiations with any developer seeking to bring forward a scheme in alignment with the submitted Sheffield Plan.