

Examination of the Sheffield Local Plan Update.

Sheffield Local Housing Needs Assessment, Sept 2024
(Exam 66).

On behalf of Avant Homes (Consult ID: PDSP.019).

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1. Introduction

- 1.1. This note has been produced by Pegasus Group on behalf of our client, Avant Homes. It focuses upon the Local Housing Needs Assessment Update (LHNA Update) (ref: Exam 66) produced by Icen Projects on behalf of Sheffield City Council in September 2024.
- 1.2. The LHNA Update provides an update to the previous housing need evidence set out within the 2019 Sheffield and Rotherham Strategic Housing Market Assessment (2019 SHMA) (ref: HSO5). It is disappointing that the Council is seeking to provide new evidence on a critical issue at such a late stage of the Local Plan examination. Our client is, however, grateful for the opportunity to respond to this document, prior to the rescheduled Matter 3: Issue 2 hearing session on this matter, on 5th November 2024.
- 1.3. The following submissions should be read in conjunction with our original comments upon the submitted plan and our Matter 3 hearing statement (responses to questions 7 to 13). The following response is ordered in a similar manner to the Inspectors original Matter 3, issue 2 questions.
- 1.4. It is understood, due to the transitional arrangements set out within paragraph 230 of the NPPF, that the plan will be examined against the September 2023 of the NPPF.
- 1.5. Our client wishes to ensure that the emerging Sheffield Plan is prepared in a robust manner. that passes the tests of soundness contained in paragraph 35 of the 2023 NPPF, namely that the plan is:
 - Positively Prepared;
 - Justified;
 - Effective; and
 - Consistent with national policy.
- 1.6. The emerging Sheffield Local Plan also needs to be legally compliant and adhere to the Duty to Cooperate.
- 1.7. Our client submitted representations to the various stages of plan production including the 'Publication Draft' version.
- 1.8. A supporting promotional document was submitted to 'the Publication Draft' consultation on the emerging Sheffield Local Plan.

2. Housing Mix

- 2.1. This section specifically relates to chapter 3 of the LHNA Update and question 7 of the Inspectors MIQs. Question 7 was “*Would the Plan deliver a diverse mix of housing types and tenures suitable to meet the needs of different groups within the community?*”
- 2.2. The LHNA Update tables 3.14 to 3.16 provides a recommended housing mix, this is set out below. This mix is split across the differing tenure types. Whilst the recommended sizes are indicative and should not be applied prescriptively they do suggest a heavy weighting towards smaller 1 and 2-bed properties across all tenures.

Table 2.1: Recommended Housing Mix 2024 LHNA Update

Size	Market Housing	Affordable Home Ownership	Social / Affordable Rented	Older Person
1-bed	30%	35%	30%	55%
2-bed	30%	35%	35%	45%
3-bed	30%	25%	25%	
4-bed	10%	5%	10%	

- 2.3. The 2019 SHMA which suggests the following mix for Sheffield across all tenures.

Table 2.2: Recommended Housing Mix 2019 SHMA

Size	All Tenures
1-bed	12%
2-bed	27%
3-bed	45%
4-bed	16%

- 2.4. Whilst it is understood that the recommended mix from the LHNA Update is based upon updated information from the 2021 census and demographic projections there is significant variance between the two documents. The LHNA Update identifies a minimum 30% of 1-bedroom properties across all tenures compared to just 12% in the 2019 SHMA. The reasons for this variance are not articulated within the LHNA Update.
- 2.5. Our client does not dispute a significant need for 2 and 3-bedroom properties within Sheffield. Indeed, this is also apparent in the 2019 SHMA, albeit with a greater emphasis on 3-bedroom properties (45%). The recommended shift to 30% 1-bed properties for market dwellings within the 2024 LHNA Update suggests a significant move away from family housing towards smaller single-person or couple households. This is considered inappropriate.
- 2.6. The 2024 LHNA appears to take little account of demand, aspiration and the greater propensity for people to work from home. Indeed paragraph 3.22 notes that:

“There is however a case to seek for new stock to more closely match actual size requirements. Whilst it would not be reasonable to expect to remove all under-occupancy (particularly in the market sector) it is the case that in seeking to make the most efficient use of land it would be prudent to look to reduce this over time. Further analysis has been undertaken to take account of overcrowding and under-occupancy (by tenure).”

- 2.7. Paragraph 3.38 of the LHNA suggests that the study recognises that in the market sector there is limited ability to control what households purchase and therefore suggests a slightly larger recommended profile compared with other tenure groups. However, the amendments are marginal with a 5% reduction in 1-bedroom properties and 5% increase in 3-bedroom properties when compared to affordable home ownership.
- 2.8. The 2024 LHNA does, therefore, appear to be largely seeking to ignore market demand and the aspirations of existing and future residents. The 2019 SHMA did take these factors into account. Many households aspire to properties larger than their need due to a variety of reasons. This increasingly includes space for homeworking.
- 2.9. Based upon information provided by the ONS¹, prior to the coronavirus (COVID-19) pandemic, only around one in eight working adults reported working from home. Working from home peaked at 49% between the 1st and 2nd lockdowns in 2020 and 2021. Following the third lock-down there was a steady decrease until early 2022. Following this period whilst fluctuating the rate has generally been between 30 and 40% of working adults reporting having worked from home at some point in the past seven days. The need for additional space, such as a spare bedroom is, therefore a necessity for many households. One-bedroom properties are less likely to accommodate such space.
- 2.10. Furthermore, the LHNA Update fails to consider whether past levels and mix of housing delivery have constrained the demographics of the area with larger households seeking appropriate accommodation outside of Sheffield. It is noticeable that there are fewer households with dependent children living within Sheffield (27.1%) compared to the region (27.7%) and national averages (28.5%). Whilst these differences are not excessive the focus of the Local Plan upon the central area at the expense of other more traditional ‘family friendly’ locations, such as Chapeltown/High Green, means that these differences are likely to be exacerbated in the future.
- 2.11. The 2019 SHMA also considered demand for different types of property. Identifying that 28% of the future demand will be for a detached property and 35% a semi-detached property. Comparatively only 20% of demand will be for flats/apartments. This information is not replicated within the 2024 LHNA Update. However, as noted above the focus upon the central area is unlikely to meet this demand. Areas such as Chapeltown/High Green are more suited to the delivery of semi-detached and detached homes and as such could help to meet some of the identified demand within the SHMA.

¹ Characteristics of homeworkers, Great Britain: September 2022 to January 2023

3. Affordable Housing

- 3.1. This section specifically deals with chapter 2 of the LHNA Update and questions 8 to 11 of the Inspectors Matter 3, Issue 2 MIQs.
- 3.2. Questions 8 to 11 of the MIQs relate to the scale, calculation and past delivery record for affordable housing. Our client does not have any comments upon the calculation of the affordable housing need within the LHNA Update as this is understood to have followed the methodology set out within the PPG.
- 3.3. In terms of net need this has increased substantially since the previous assessment of affordable housing need within the 2019 SHMA. Table 2.14 of the LHNA Update identifies a total net need for affordable housing of 2,032 households per annum. This compares to 902 per annum in the 2019 SHMA, a 218% increase. Even if households who can afford to rent but not buy are removed from the net need, this still leaves an annual net requirement of 1,676 households. This significant increase in affordable housing need is perhaps unsurprising given the Council's abysmal record of meeting its previous net annual need for affordable housing of 902 per annum. This hasn't been achieved on any occasion in the last ten years (see table 3.1 below). The continued failure to meet such needs will continue to exacerbate the situation.
- 3.4. The net annual affordable housing need identified in the LHNA Update is a significant and concerning number of households per annum. Within table 1 of its Matter 3 Examination Hearing Statement the Council provides analysis of affordable housing delivery between 2013/14 to 2022/23. Over this period just 2,502 affordable dwellings were provided, at an average rate of just 250 per annum. This represents just 12% of the annual need identified by LHNA Update.
- 3.5. The annual net need for affordable housing is just 58 dwellings below the proposed overall net housing requirement and as such clearly will not be met. Table 3.1 below highlights that on average affordable housing makes up just 13% of the dwelling completions within Sheffield each year. The proposed housing requirement is, therefore, only likely to produce circa 270 affordable dwellings per annum based upon the proposed housing target, this is woefully short of the identified need.

Table 3.1: Sheffield Affordable Housing Delivery

Year	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	Total
Affordable ²	198	568	305	327	99	165	129	207	131	373	2,502
Total Dwellings ³	938	1,765	1,432	2,248	2,304	1,975	3,083	1,850	1,774	1,628	18,997

² Source: Sheffield City Council Matter 3 Hearing Statement

³ Source: Exam3A, table 12



% Affordable	21	32	21	15	4	8	4	11	7	23	13
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- 3.6. The LHNA Update also identifies an affordable housing need across all of the identified sub-areas. Given that some sub-areas, such as Chapeltown and High Green are only identified to deliver 25 dwellings it is unclear how this affordable housing needs for this area will be met.
- 3.7. In order to rectify these issues, it is recommended that the housing requirement is increased in line with the current minimum LHN requirement, as calculated by the standard method and that additional allocations are provided in locations such as Chapeltown and High Green.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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