

Private Document Pack

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

Date: Thursday 15 November 2018

Venue: 11 Broad Street West, Sheffield, S1 2BQ

Time: 2.00 pm

Sheffield
City Region

COMBINED
AUTHORITY

AGENDA

Item	Subject	Method	Lead	Page
<u>Introduction</u>				
1	Welcome and Apologies	Verbal	Chair	
2	Declarations of Interest	Verbal	Chair	
3	Minutes & Actions of the Previous Meeting, Matters Arising	Minutes	Chair	1 - 8
4	Urgent Items/Announcements	Verbal	All	
<u>Business Items (14:10 - 14:30)</u>				
5	Capital Programme: Schemes for Approval			
5.1	Gullivers World	Report	L Thomas	9 - 16
5.2	Etna Heritage Hangar	Report	L Thomas	17 - 24
5.3	Housing Fund Enhancement	Report	L Thomas	25 - 32
6	Schemes Approved by the Combined Authority	Verbal	L Thomas	
<u>For Discussion (14:30 - 15:20)</u>				
7	Draft SCR Estate Transformation Strategy	Report & Presentation	C Blackburn	33 - 64
8	SEP Review: Housing and Infrastructure Key Issues	Report & Presentation	G Bruff, M Hellewell, J Guest	65 - 164

Item	Subject	Method	Lead	Page
<u>Updates (15:20 - 15:55)</u>				
9	Pilot Housing Fund: Programme Update and Review	Presentation	M Hellewell	165 - 174
10	Homes England Programme/5 Year Strategic Plan/Budget Announcements	Verbal	R Pearson	
11	Place Delivery Plan: Dashboard	Report	C Blackburn	175 - 180
<u>Actions & Forward Planning (15:55 - 16:00)</u>				
12	Agree Actions & Summary for Resolution Log	Verbal	Chair	
13	Forward Plan	Report	Chair	181 - 182
14	Any Other Business	Verbal	Chair	

SCR HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

27th SEPTEMBER 2018

BROAD STREET WEST, SHEFFIELD

No.	Item	Action
1	<p><u>Welcome and Apologies</u></p> <p>Present:</p> <p><u>Board Members</u> Cllr Tricia Gilby (CBC) – CHAIR Huw Bowen (CBC)</p> <p><u>Advisors</u> Tony Stacey (SYHA) Rob Pearson (Homes England) Virginia Saynor (Environment Agency) Simon Carr (LEP – Co-opted)</p> <p><u>In Attendance</u> Phillip Spurr (BMBC) Neil Firth (DMBC) Janet Sharpe (SCC) Paul Woodcock (RMBC) Garreth Bruff (SCR Exec Team) Colin Blackburn (SCR Exec Team) Michael Hellewell (SCR Exec Team) Laurie Thomas (SCR Exec Team) Craig Tyler (Joint Authorities Governance Unit)</p> <p>+ Mark Davies (Integer Advisory) for item 7</p> <p>Apologies were received from Board Members Mayor Ros Jones (DMBC), John Mothersole (SCC), Owen Michaelson (LEP) Neil Taylor (BaDC) +, Paul Bedwell (Spawforths), Simon Mann (Environment Agency), Peter Dale (DMBC), Matt Gladstone (BMBC) and Chris Scholey (LEP – Co-opted)</p>	
2	<p><u>Declarations of Interest</u></p> <p>None noted.</p>	
3	<p><u>Minutes of the Previous Meetings</u></p>	

	<p>The minutes of the previous meeting held on 29th June were agreed to be an accurate record.</p> <p>The following action was carried over:</p> <p>Action: Colin to present an update on the Housing Programme to a future meeting</p> <p>The Board was advised that subject to the speed at which matters develop, a further update on the Estates Transformation Strategy might be brought to the next meeting.</p> <p>The Board was informed that arrangements are being made to hold a Mayoral Homelessness Summit on Friday 16th November. All Members of the Board will receive an invite in due course.</p>	<p>CB</p> <p>TS</p>
<p>4</p>	<p><u>Urgent Items / Announcements</u></p> <p>None noted.</p>	
<p>5</p>	<p><u>Capital Programme: Schemes for Approval</u></p> <p><u>Century Business Centre Phase 2</u> A report was received requesting the Board's consideration of Rotherham MBC's Century Business Centre phase 2 project at a cost of £1,600,000.</p> <p>The Board was advised of the conditions detailed within the Appraisal Panel Summary and provided with additional information to explain the minimum job creation figures associated with clawback condition.</p> <p>Members were assured there is confidence this project will deliver against its intended timescales and informed that close working with RMBC officers will help ensure the profile remains achievable.</p> <p>RESOLVED, that the Board endorses the recommendation to progress the Rotherham MBC Century Business Centre phase 2 scheme business case to Full Approval subject to the conditions set out in the Appraisal Panel summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR CA.</p> <p><u>Grey to Green Phase 2</u> A report was received requesting the Board's consideration of the Sheffield City Council Grey to Green phase 2 project at a cost of £3,320,000.</p> <p>The Board was asked to note that the conditional minimum job creation figure requires 446 gross fte jobs to be delivered over the next 10 years, rather than by 2025/26 as incorrectly stated in the report.</p>	

	<p>RESOLVED, that the Board endorses the recommendation to progress the SCC Grey to Green phase 2 scheme business case to Full Approval subject to the conditions set out in the Appraisal Panel summary, noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.</p>	
6	<p><u>Energy Strategy and Delivery Plan – Vision, Priorities and Scope</u></p> <p>A report and presentation provided an update on the progress made with developing an Energy Strategy and Delivery Plan for the Sheffield City Region. This included the initial Vision and emerging strategic priorities for the Strategy, alongside a more general scope inviting discussion and comment from the Board.</p> <p>It was noted that ‘strategy and delivery plan development’ constitutes phase 3 of the work and builds on stage 1 (energy economic baseline) and phase 2 (energy technology appraisal).</p> <p>It was noted the draft Vision (intended to be clearly SCR-specific) is; <i>To become a leader in clean growth and low carbon innovation and a net contributor to the national grid, to deliver a stronger economy, significantly reduce carbon emissions, and provide a better quality of life for people within the City Region</i>, and supported by 4 strategic priorities.</p> <p>The Board was asked to consider whether the draft Vision has the right level of ambition, whether the strategic priorities reflect the right themes and tone, and whether there are any issues or driver of change missing.</p> <p>Comments were provided in consideration of these questions, including that the Vision should refer to providing the necessary ‘infrastructure’. It was agreed that the draft Energy Strategy and Delivery Plan should be brought to a future meeting of the Board.</p> <p>Action: Craig to provide Garreth with a full transcript of member comments.</p> <p>Action: Garreth to take account of the comments provided in developing the next iteration of the draft Vision and Strategy</p> <p>RESOLVED, that the Board notes progress with preparing the SCR Energy Strategy and Delivery Plan and provides comment on the initial proposed Vision and emerging strategic priorities for the Strategy, to inform the development of the Draft Strategy and Delivery Plan.</p>	<p>CT</p> <p>GB</p>
7	<p><u>Housing Association Joint Venture Company (JVCo) Proposals</u></p> <p>Tony Stacey introduced a report providing details of a proposal to establish a Joint Venture Company (made up of five Housing Associations), to contribute to housing supply across the Sheffield City Region through the delivery of new housing development on a mixed tenure, commercial basis.</p>	

	<p>It was noted the JVCo would operate solely at a SCR-level.</p> <p>It was suggested the JVCo would be an ethical housebuilder and have a new build target of 300-500 houses (potentially more if practical).</p> <p>The following points are of particular relevance to Local Authorities (who may wish to engage with the JVCo via Strategic Partnerships or on a site-by-site basis):</p> <ul style="list-style-type: none"> • Local Authorities wishing to engage with the JVCo should expect to receive market value for any sites made available. • The Housing Associations setting up the JVCo are committed to delivering in full on Section 106 obligations. <p>It was suggested there may be the opportunity for the SCR to invest in the JVCo's house building programme in the future but this idea isn't being pursued at the moment.</p> <p>It was suggested the business case for the JVCo may benefit from clarifying how commercial housebuilding can be a means to fund an affordable housebuilding programme.</p> <p>It was clarified that this isn't a SCR MCA/LEP led initiative and suggested this position needs to be made clearer to avoid confusion (particularly as the JVCo has adopted the 'More New Homes' wording).</p> <p>Regarding the relationship therefore between the JVCo and the SCR Local Authorities, it was suggested this will take the form of a series of strategic partnerships to help address matters such as land acquisition requirements. Considering this relationship, it was suggested there needs to be something in this model for the Local Authorities who would otherwise seek to maximise returns from the commercial sale of land.</p> <p>It was suggested the concept of using strategic housing partnerships, as a means to deliver a variety of targets for new housing, is favourably looked on by government and supported by Homes England.</p> <p>It was suggested the introduction of the JVCo to the housebuilding sector would be an interesting disruptor to the current market.</p> <p>RESOLVED, that the Board notes the JVCo proposals.</p>	
8	<p><u>Pilot Housing Fund</u></p> <p>The Board was advised that Chris Collins-McKeown's fixed term contract with the SCR has come to an end. It was requested the Board's thanks be sent to Chris for the support she has given to the SCR during her time here and a letter of thanks be sent to Chris on the Board's behalf.</p> <p>Action: Craig to draft for Cllr Gilby's consideration</p>	CT

	<p>It was confirmed steps are in place to ensure the SCR Executive Team has adequate resources to manage the Pilot Housing Fund.</p> <p>A report and accompanying presentation set out the decisions of the Housing Investment Board related to the pilot HF and provided the update scheme decision schedule.</p> <p>It was confirmed all schemes are effectively kept under continuous review by HIB in the interests of maximising the effectiveness of the fund and to ensure key milestones are met. It was noted there is the option to remove a scheme from the programme if note being delivered within an agreed timescale, with other schemes in the pipeline being readied to be introduced when required.</p> <p>Action: Michael to ensure the Board is kept up to date with HF scheme timelines, and aware of what remedial actions are taken to address any delivery issues.</p>	MH
9	<p><u>Local Plans Update</u></p> <p>A report was received to set out the current status of the nine Local Plans across the Sheffield City Region (SCR) and summarise work underway by local planning authorities to update their plans.</p> <p>The report also provided a brief outline of some of the collaborative planning work being developed through the SCR Heads of Planning Group.</p> <p>The Group recapped past discussions around the need to ‘join the dots’ between the different approaches used in assessing future requirements, based on such factors as assessed need and economic ambition in order to create a stronger link between the SCR SEP and individual LA Local Plans.</p> <p>However, it was suggested the variance in trajectories is decreasing as local completion rates have risen over recent years. The Board was advised to await the reporting of the most recent year’s completion figures at the next meeting as these are expected to show a further increase in housebuilding across the SCR.</p> <p>The Board was advised that Rotherham MBC had recently had its Local Plan adopted, and that its Planning Service had won ‘team of the year’ at the 2018 RTPI Awards for Planning Excellence.</p> <p>Resolved: that a report on current housing need assessments and recent housing completion figures is brought to the next meeting of the Board</p>	GB
10	<p><u>Homes England Programme</u></p> <p>A report was received providing a brief update on what Homes England continues to do to help SCR increase and accelerate the number of homes and affordable homes being delivered, highlighting matters that have developed since the last HIEB meeting.</p>	

	<p>The Board discussed concerns regarding the apparent lack of co-ordination between the various organisations (including key land owners) involved with HS2 related matters.</p> <p>Action: Neil to raise this matter at the forthcoming SCR HS2 Growth Strategy Board and request officers provide HIEB with a briefing</p> <p>The Board noted general issues associated with having similarly titled initiatives.</p>	NF
11	<p><u>Place Delivery Plan – Dashboard</u></p> <p>The Dashboard update was provided for information.</p>	
12	<p><u>Housing Providers’ Forum</u></p> <p>The Board was presented with a verbal update on matters considered at the last meeting.</p> <p>It was noted the Forum members have expressed a desire to learn more about HIEB’s activities.</p> <p>It was noted there is an opportunity for the Forum members to feed into a briefing paper which is being produced for the SCR Mayor on the Social Housing Green Paper, which will in turn inform the Mayor’s formal response to the Government’s consultation.</p> <p>Action: Michael to provide Tony with further details, for Tony to then share with the Forum members.</p>	MH / TS
13	<p><u>JAB Minutes</u></p> <p>The minutes of the meeting held on 12th July were provided for information.</p>	
14	<p><u>Forward Plan</u></p> <p>The Forward Plan was provided for information.</p>	
15	<p><u>Any Other Business</u></p> <p>It was agreed by the Chair that officers may send out information in relation to schemes seeking capital project endorsements via written procedures, recognising the need to accord with the meeting schedules of the SCR Appraisal Panel and Mayoral Combined Authority due to the HIEB not convening again until 15th November.</p> <p>It was noted that Martin McKervey had stood down as a SCR LEP Board member and therefore as a HIEB member. It was requested that the Board thanks Martin for the support he has given during his time here and a letter of thanks be sent to him on the Board’s behalf</p> <p>Action: Craig to draft for Cllr Gilby’s consideration</p>	

		CT
16	<u>Date of the Next Meeting</u> 15 th November, 2pm, Broad Street West, Sheffield.	

This page is intentionally left blank

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

15TH NOVEMBER 2018

GULLIVER'S VALLEY – WEAVERS CLOSE LTD, GULLIVERS KINGDOM

Purpose of Report

In line with the Sheffield City Region Single Assurance Framework a project seeking MCA funding has been considered by the Sheffield City Region Appraisal Panel and recommended for Executive Board endorsement prior to presentation to the MCA.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

Reports to Executive Boards are not made available under the Mayoral Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

Recommendations

The HIEB is asked to consider and endorse the recommendation to progress the scheme business case to Full Approval for Gulliver's Valley at a cost of £1.5m (£0.4m grant and £1.1m loan) subject to the conditions set out in the Appraisal Panel Summary. Noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

1. Introduction

- 1.1** In line with the Sheffield City Region Single Assurance Framework this project has been through a process of technical Appraisal, utilising external support, and consideration by a Panel of Officers representing the SCR Statutory Officers. The outcomes of this process are the recommendations presented for endorsement of the Housing and Infrastructure Executive Board prior to seeking approval from the MCA.

2. Proposal and justification

2.1 Gulliver's Valley

2.2 The project will open up the Pithouse West site in Rotherham to enable the Gulliver's Valley development to proceed and will secure delivery of phase 1 of the Gulliver's Valley development, securing creation of 93 new FTEs in 2021. The newly created jobs will all be private sector employment opportunities contributing to the rebalancing of the economic base of the City Region by increasing the proportion of private sector employment.

2.3 Gulliver's Valley overall resort will be a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families. It will also include a water play zone, a NERF zone, a climbing zone, a glades attraction and an education and ecology centre encompassing forest classrooms and outdoor learning adventures for children. The resort will also offer family friendly accommodation in the form of glamping, woodland lodges, and hotels. The development will encompass Gully's Dream Village, a community where children with life threatening illnesses can be given the chance to enjoy cost-free respite in a magical environment.

2.4 On completion, the Gulliver's Valley development is expected to:

- Secure £37m private sector investment to the City Region,
- create in the order of 250 FTE employees in the leisure, tourism and visitor economy; jobs which will particularly benefit younger people living in the City Region.

2.5 The development will also deliver a Service Academy aimed at both employees of Gulliver's, and other residents living in the City Region who wish to pursue training opportunities and qualifications in service and hospitality. The Service Academy is proposed to link with a local college to provide the onsite training resources for apprenticeships and BTEC qualifications. It will also undertake the training for all new members of the Gulliver's team. The Gulliver's Management training programme will also be co-ordinated through the Academy.

2.6 The project is seeking a combination of grant and loan funding from LGF. The loan funding of £1.1m will specifically accelerate delivery of elements of the visitor accommodation into phase 1 (to open in 2020) rather than being delivered in phase 2 of the scheme (2024) establishing the resort as a short stay destination from day one of operation.

2.7 Specifically the LGF £1.1m loan will fund:

- Purchase of themed accommodation units
- Groundworks and installation of accommodation units
- Construction of guest and operational facilities to service accommodation

2.8 The LGF grant of £0.4m will fund:

- Outline design of the junction from A618 to open up the site, including improvements to the A618 to facilitate pedestrian access
- Detailed design of the junction
- Construction of the junction and entrance driveway to facilitate visitor access

Assurance Framework

- 2.9** The technical appraisal team has scrutinised the business case documents submitted by the scheme promoter to ensure completeness and test the responses to each of the 5 cases (Strategic, Economic, Financial, Management and Commercial).
- 2.10** The Appraisal Panel Summary is set out in Appendix 1. The Value for Money case is based on the quantum and acceleration of additional jobs, the GVA per LGF £ spend = £2.13 (and potentially higher). This presents acceptable value for money for LGF investment. Clawback conditions are therefore recommended as a condition of the grant award as set out in the Appraisal Panel Summary.
- 2.11** The Appraisal Panel recommends the award of LGF grant to Weavers Close, with the outputs and outcomes subject to clawback.

3. Consideration of alternative approaches

- 3.1** Alternative approaches including do nothing and do less were considered as part of the options appraisal in the Economic Case of the Full Business Case (FBC), all of which were not viable alternatives or would significantly impact the value for money of the project.
- 3.2 Option 1 – Do minimum**
- 3.3** It is possible that the development could proceed but at a significantly reduced scale, taking out some of the key components that make up the theme park attraction and the entrance hub. This would affect the attractiveness of the development to visitors and greatly reduce FTE numbers.
- 3.4** A no LGF investment scenario would also mean that visitor accommodation would be provided in phase 2 of the development when Gulliver's consider the site's turnover and associated cashflow is sufficient to warrant the investment. This will slow the development's progression, and slow down achievement of the resultant investment and job creation benefits. Significant change in the economy and/or the company's fortunes could result in a decision not to pursue the remaining phases of the development, meaning these much greater benefits would be lost to SCR.
- 3.5 Option 2 – Reduced LGF investment (£290,000 grant, £0 loan)**

Reducing the LGF to a smaller grant for the junction and entrance drive would mean that the works would likely be completed to facilitate the theme park opening in spring 2020 but there would be no accommodation provision upon opening and a smaller scale attraction completed within the theme park as these costs would have been diverted to allow for the construction of the junction.
- 3.6 Option 3 –LGF loan only for accommodation acceleration, no grant for junction improvements**

This is not a viable option for Gulliver's as opening the theme park (phase 1) must be completed prior to delivery of accommodation. This is specified in land sale agreements with RMBC as the theme park was identified as the primary element required to attract visitors (day visitors).

4. Implications

4.1 Financial

Financial implications have been fully considered by a representative of the S73 officer and included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix 1.

4.2 An appropriate market rate of interest for the loan will be based on European Union Reference rates.

4.3 Legal

Legal implications have been fully considered by a representative of the Monitoring officer and are included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix 1.

4.4 Risk Management

Risk management is a key requirement for all submissions and is incorporated into the FBC submission. Where weaknesses have been identified in the FBC in terms of risk management, further work to capture and mitigate these risks is included as suggested conditions in the Appraisal Panel summary sheets.

4.5 Equality, Diversity and Social Inclusion

Gulliver's Valley (and Weavers Close Ltd) is an established and progressive local employer with a track record for recruiting from within the immediate community, including local residents who can face barriers in entering the labour market. The project will develop a Service Academy aimed at both employees of Gulliver's, and other residents living in the City Region who wish to pursue training opportunities and qualifications in service and hospitality. A later phase of the resort will provide free respite care for families with sick or disabled children.

5. Communications

5.1 The business case for this LGF scheme presents an opportunity for positive communications; officers from the SCR Executive Team will work with the relevant local authority officers on joint communications activity.

6. Appendices/Annexes

6.1 Appendix 1: Appraisal Panel Summary

Report Author	Laurie Thomas
Post	Senior Programme Manager (Infrastructure)
Director responsible	Mark Lynam
Organisation	Sheffield City Region
Email	Mark.Lynam@sheffieldcityregion.org.uk
Telephone	0114 2203442

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

Appraisal Panel Summary

Project Name	Gulliver's Valley		
Grant Recipient	Weavers Close		
SCR Executive Board	Housing and Infrastructure	SCR Funding	£400k (grant) £1,1m (loan)
% SCR Allocation	19.9%	Total Scheme Cost	£7.527m

Project Description			
<p>Gulliver's Valley resort will be a theme park offering rides and attractions aimed at children aged from 2-13 years old and their families. It will also include a water play zone, a NERF zone, a climbing zone, a glades attraction and an education and ecology centre encompassing forest classrooms and outdoor learning adventures for children. The resort will also offer family friendly accommodation in the form of glamping, woodland lodges, and hotels. The development will encompass Gully's Dream Village, a community where children with life threatening illnesses can be given the chance to enjoy cost-free respite in a magical environment.</p>			
Strategic Case			
<p>On completion, the Gulliver's Valley development will bring £37m private sector investment to the City Region, create in the order of 250 FTE employees in the leisure, tourism and visitor economy; jobs which will particularly benefit younger people living in the City Region. The rationale for the project is clear, in that, it would unlock the Pithouse West site in Rotherham to deliver the theme park and secure elements of the visitor accommodation, bringing it into Phase 1 of the development (by 2020) rather than Phase 2 (by 2024). This will help to establish the resort as a short stay destination from the onset of operation and accelerate additional employment opportunities.</p>			
Value for Money			
<p>This phase of the scheme would accelerate the delivery of 93 jobs by 4 years. Based on this acceleration, LGF investment will deliver a GVA benefit of £0.85m (GVA per LGF £ spend = £2.13). this could be potentially higher if more residents access employment opportunities and local content with regards to supply chain is higher than usual. The applicant has committed to working with local partners in this regard.</p> <p>This means the project will return acceptable value for money for SCR investment.</p>			
Risk			
<p>Further detailed design work is required to firm up the costs associated with the junction and entrance drive. Costs provided for the business case are based on initial design work. WSP have been engaged by Gulliver's and will continue to progress the design in consultation with the Highways Authority. This will give greater cost certainty and reduce the risk of cost overruns, improving certainty and deliverability.</p> <p>The main risks to this timescale are:</p> <ul style="list-style-type: none"> • Securing contracted investment from SCR by December 2018 • Procurement of contractor to construct the junction and entrance drive • Procurement of contractor to supply accommodation units. <p>Weavers Close (the applicant) will cover any cost increases associated with the project and will be seeking fixed price contracts from all providers.</p>			

Delivery
<p>The applicant has a proven track record of building and opening theme park resorts. They manage the delivery of their theme parks in-house with the Project Director responsible for overseeing the schedule and budget. The Project Director reports to the Managing Director as the SRO on a daily basis and the company's Board twice a year. A detailed project plan for delivery of phase 1 is provided for reference.</p> <p>The key outstanding actions to progress the project are the procurement of contractors for construction of the road junction and entrance drive and the procurement of contractors for the supply of the accommodation units.</p>
Legal
<p>The applicant proposes to use the General Block Exemption Regulation Article 17 (Investment aid to SMEs) which stipulates that up to €7.5m Aid can be provided at up to 20% for small enterprises. There is sufficient private sector contribution within the scheme to meet the state aid thresholds.</p> <p>This approach is considered acceptable, with final legal opinion confirmation awaited from the applicant.</p>

Recommendation and Conditions

Recommendation	Contract award, subject to conditions
Payment Basis	Grant to be paid on defrayal. Loan to be paid on completion of Loan Agreement
Conditions of Award	
<p>1. On completion of physical works, 30% (£120,000) of this LGF grant will be placed out of scope for any clawback. The remaining 70% LGF grant (£280,000) will remain in scope until 20 gross fte jobs have been created at the site. The SCR Operational Contracts team will monitor progress on job creation based on the annual profile and baseline (as at funding agreement) submitted by the promoter. If by the end of the period (2021/22), the minimum threshold of 20 gross fte jobs have not being created, Weavers Close will return £16,454 for each job below the threshold.</p> <p><i>The following conditions must be satisfied before drawdown of funding.</i></p> <p>2. All required statutory consents including all planning conditions must be satisfied.</p> <p>3. Submission of evidence of Board approval to provide funding for the scheme.</p> <p>4. Proposed state aid route to be supported by independent legal opinion.</p> <p><i>The following conditions must be satisfied before contract execution.</i></p> <p>5. Evidence of internal Board approval to proceed</p> <p>6. Confirmation that the profiled 2018/19 LGF spend can be defrayed in year, as SCR is unable to guarantee that this will be reprofiled beyond year end, and/or that Weaver's Close will cover any unfunded works from alternate sources.</p> <p>7. For the loan, receipt of parent company guarantee covering 100% of the £1.1m LGF loan value.</p> <p>8. Formal confirmation that SCR will have first charge on the site till loan is fully repaid.</p> <p>9. For the loan, submission of acceptable repayment schedule specifying all/any dependencies.</p> <p>10. Confirmation of commitment to deliver applicant's Service Academy with details of how SCR residents and under-represented groups in the labour market will be targeted. A target number of local beneficiaries will be agreed.</p> <p>The conditions above should be fully satisfied by 30th November 2018. Failure to do so could lead to the withdrawal of approval.</p>	

Record of Recommendation, Endorsement and Approval

Project Name: Gulliver's Valley

Appraisal Panel Recommendation		Board Endorsement		CA Approval		
Date of Meeting		Date of Meeting		Date of Meeting		
Head of Paid Service or Delegate	Ruth Adams Deputy MD	Endorsing Officer (Board Chair)		Approving Officer (Chair)		
Signature		Signature		Signature		
Date		Date		Date		
S73 Officer or Delegate	Mike Thomas Senior Finance Manager	Statutory Finance Officer Approval				
Signature						Name:
Date						Signature:
Monitoring Officer or Delegate	Steve Davenport SCR CA Solicitor					Date:
Signature						
Date						

This page is intentionally left blank

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

15TH NOVEMBER 2018

ETNA HERITAGE HANGAR – VULCAN TO THE SKY TRUST

Purpose of Report

In line with the Sheffield City Region Single Assurance Framework a project seeking MCA funding has been considered by the Sheffield City Region Appraisal Panel and recommended for Executive Board endorsement prior to presentation to the MCA.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

Reports to Executive Boards are not made available under the Mayoral Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

Recommendations

The HIEB is asked to consider and endorse the recommendation to progress the scheme business case to Full Approval for Etna Heritage Hangar at a cost of £400,000 subject to the conditions set out in the Appraisal Panel Summary. Noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

1. Introduction

- 1.1** In line with the Sheffield City Region Single Assurance Framework this project has been through a process of technical Appraisal, utilising external support, and consideration by a Panel of Officers representing the SCR Statutory Officers. The outcomes of this process are the recommendations presented for endorsement of the Housing and Infrastructure Executive Board prior to seeking approval from the MCA.

2. Proposal and justification

2.1 Etna Heritage Hangar

The Etna Project Heritage Hangar project will involve the construction of a purpose built hangar/visitor centre at Doncaster Sheffield Airport that will become a significant heritage attraction boosting the attractiveness of SCR for tourism.

2.2 To hangar will provide a secure and permanent base for the restored Vulcan bomber aircraft and other heritage assets of national importance, provide a unique setting for conferences, corporate and private events and the delivery of educational activities for young people aged 7-14. It will also provide an ideal airfield viewing area.

2.3 The hangar build will create 3,000 square metres of floor space on a developing airport site, initially creating 14 jobs and rising to around 25 plus (including some apprenticeships) over a period of 3 years.

Assurance Framework

2.4 The technical appraisal team has scrutinised the business case documents submitted by the scheme promoter to ensure completeness and to test the responses to each of the 5 cases (Strategic, Economic, Financial, Management and Commercial).

2.5 The Appraisal Panel Summary is set out in Appendix 1. The Value for Money case is based on the cost per gross additional job which is £16,667, and GVA benefits of £4.3 million over 10 years, this presents acceptable value for money for LGF investment. Clawback conditions are therefore recommended as a condition of the grant award as set out in the Appraisal Panel Summary.

2.6 The Appraisal Panel recommends the award of LGF grant to Vulcan to the Sky Trust, with the outputs and outcomes subject to clawback.

3. Consideration of alternative approaches

3.1 Alternative approaches including do nothing and do less were considered as part of the options appraisal in the Economic Case of the Full Business Case (FBC), all of which were not viable alternatives or would significantly impact the value for money of the project.

3.2 Option 1 – Do minimum (No LGF option)

This option would provide a secure and watertight new building in which to house the heritage assets. However, with a significant part of the internal infrastructure missing the building would only facilitate limited public access, providing an unattractive and unsustainable visitor attraction employing only a caretaker. The building would effectively be an unfurnished shell, an unfit for purpose environment in which to operate a successful events and tours business, which delivers educational benefits. The scheme would be unable to create the number of jobs visualised and fail to generate GVA.

3.3 Option 2 – Lease hangar space

To relocate to another leased facility on the airport with access to the taxiways and runway. With very limited free hangar space available at the airport this would have been difficult. Furthermore, the cost of making another facility fit for purpose as a publicly accessible visitor attraction would be in excess of £250k. Given the pressure on hangar space at an expanding airport, with no guarantees of security of tenure and no asset against which to

secure a loan, this was considered at best unwise since this loss of security of tenure scenario has previously been experienced in January 2017.

3.4 Option 3 – Relocation

To relocate the heritage assets and visitor centre to another non-airside facility at DSA, another airport or location would have required the disassembly of the Vulcan, its transport and re-assembly at another site. This is a technically complex operation, time consuming, very expensive, never before attempted and would have resulted in a non-live airframe. Such a move would have resulted in the organisation failing to fulfil contractual obligations to the Heritage Lottery Fund.

3.5 Option 4 - Reduced LGF

A reduced level of LGF would require a reduced specification in order to stay within budget. There would be a significant risk of watering down the visitor experience, visitor numbers, job creation potential and/or cutting the STEM provision. Alternatively, the project could be delayed whilst the additional funding is raised from other sources but delays could result in further cost escalations and risk the availability of the remaining LGF to support the scheme.

4. Implications

4.1 Financial

Financial implications have been fully considered by a representative of the S73 officer and included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix 1.

4.3 Legal

Legal implications have been fully considered by a representative of the Monitoring officer and are included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix 1.

4.4 Risk Management

Risk management is a key requirement for all submissions and is incorporated into the FBC submission. Where weaknesses have been identified in the FBC in terms of risk management, further work to capture and mitigate these risks is included as suggested conditions in the Appraisal Panel summary sheets.

4.5 Equality, Diversity and Social Inclusion

None as a result of this report.

5. Communications

- 5.1** The business case for this LGF scheme presents an opportunity for positive communications; officers from the SCR Executive Team will work with the relevant local authority officers on joint communications activity.

6. Appendices/Annexes

- 6.1** Appendix 1: Appraisal Panel Summary

Report Author **Laurie Thomas**
Post **Senior Programme Manager (Infrastructure)**
Director responsible **Mark Lynam**
Organisation **Sheffield City Region**
Email **Mark.Lynam@sheffieldcityregion.org.uk**
Telephone **0114 2203442**

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

Appraisal Panel Summary

Project Name	Etna Project Heritage Hangar		
Grant Recipient	Vulcan to the Sky Trust		
SCR Executive Board	Housing and Infrastructure	SCR Funding	£400,000
% SCR Allocation	11.9%	Total Scheme Cost	£3,365,712

Project Description			
<p>The Etna Project Heritage Hangar will involve the construction of a purpose-built hangar/visitor centre at DSA. The hangar build will create 3,000 square metres of floor space on a developing airport site.</p> <p>This will provide a secure and permanent base for a restored Vulcan bomber aircraft and other heritage assets of national importance, providing a unique setting for conferences, corporate and private events and the delivery of educational activities for young people aged 7-14. It will also provide an ideal airfield viewing area.</p>			
Strategic Case			
<p>The project will provide a STEM engagement programme to be targeted at the estimated 4.2m Key Stage 2 and 3 pupils living within a 1-hour drive of Doncaster Sheffield Airport, implemented in partnership with the SCR business community, education and training providers, to inspire young people to take up careers in the engineering, technology and aviation.</p> <p>The project aims to encourage visitor spend in the facility, and indirect growth for the leisure sector as well as additional visitors for other attractions such as the nearby Yorkshire Wildlife Park.</p>			
Value for Money			
<p>The hangar build is forecast to initially create 14 full time equivalent jobs but this will then rise to over 25, including engineering roles and apprenticeships by 2020/21. This will achieve a cost (LGF) per gross additional job created of £16,667.</p> <p>LGF investment will generate an additional net GVA benefit of £4,298,685 over 10 years.</p>			
Risk			
<p>A detailed risk register is provided by the applicant. The top 5 risks identified by the applicant are:</p> <ol style="list-style-type: none"> 1) delays to site commencement or during the build programme. 2) project costs going over budget 3) insufficient funds being raised to complete the project. 4) the Trust experiencing a cash flow shortfall due to the time lag between payments being due and receiving the funds 5) main contractor or key sub-contractor going into administration or liquidation. <p>The award of LGF would still leave a £165,712 funding gap. The business case states this is being raised via a variety of sources including grant applications to charitable foundations and trusts, and a fund-raising campaign. Failure to fill this funding gap could result in delays to the scheme.</p> <p>A contingency of £100,000 has been provided for the project. This may prove to be to be low given the previous cost increases and the fact that the cost estimates are significantly below market prices.</p>			

The applicant expects steel prices to increase soon which may threaten to take up the entirety of the contingency.

Further clarification responses provided by the applicant state that any cost overruns would be sought from corporate and charitable sources. Alternatively, fund raising campaigns would be targeted at the Trust's supporter base. The Trust's accounts show they have a strong track record in raising significant funds from their supporters.

Delivery

The scheme will be managed as a construction project using industry standard process and techniques as laid down in the JCT contract. There will be oversight by a Chartered Surveyor, DSA's Property Manager and the Trust's project manager. The applicant has experience of managing major restoration projects worth circa £7million and will be supported in a consultancy capacity by Steve Wild who has experience managing large multi-phase developments. This gives confidence that the scheme will be successfully managed.

Legal

The applicant makes the case that there is no state aid because the public investment does not meet all four tests.

Recommendation	Full award (100% grant)
-----------------------	-------------------------

Payment Basis	Payment on defrayal
----------------------	---------------------

Conditions of Award (including any clawback clauses)

1. On completion of physical works, 50% (£200,000) of this LGF grant will be placed out of scope for any clawback. The remaining 50% LGF grant (£200,000) will remain in scope until 21 gross fte jobs (20 gross additional) have been created at the site. The SCR Operational Contracts team will monitor progress on job creation based on the annual profile and baseline (as at funding agreement) submitted by the promoter. If by the end of 2021/22, the minimum threshold of 21 gross fte jobs have not being created, the applicant will return £9,591 for each job below the threshold.
2. Overage clause which recovers grant funding if organisation receives excess net income will be included in funding agreement.

The following conditions must be satisfied before drawdown of funding.

3. All required statutory consents including all planning conditions must be satisfied.
4. Submission of confirmation that other funds required for the project have been secured and that any funding gaps will be filled without compromise to project objectives, outputs and outcomes as stated in FBC.

The following conditions must be satisfied before contract execution.

5. Proposed state aid route to be supported by independent legal opinion.
6. Evidence of internal Board approval to proceed
7. Confirmation that the profiled 2018/19 LGF spend can be defrayed in year, as SCR is unable to guarantee that this will be reprofiled beyond year end, and/or that the applicant will cover any unfunded works from alternate sources.
8. Confirmation that the applicant will fund any cost overruns.

The conditions above should be fully satisfied by 31st January 2018. Failure to do so could lead to the withdrawal of approval.

Record of Recommendation, Endorsement and Approval

Project Name

Appraisal Panel Recommendation		Board Endorsement		CA Approval		
Date of Meeting		Date of Meeting		Date of Meeting		
Head of Paid Service or Delegate	Ruth Adams Deputy MD	Endorsing Officer (Board Chair)		Approving Officer (Chair)		
Signature		Signature		Signature		
Date		Date		Date		
S73 Officer or Delegate	Mike Thomas Senior Finance Manager	Statutory Finance Officer Approval				
Signature						Name:
Date						
Monitoring Officer or Delegate	Steve Davenport SCR CA Solicitor					Signature:
Signature						
Date						Date:

This page is intentionally left blank

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

15TH NOVEMBER 2018

SCR HOUSING FUND ENHANCEMENT

Purpose of Report

In line with the Sheffield City Region (SCR) Single Assurance Framework, a project seeking Mayoral Combined Authority (MCA) funding has been considered by the SCR Appraisal Panel and is recommended for Executive Board endorsement prior to presentation to the MCA.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

Reports to Executive Boards are not made available under the Mayoral Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

Recommendations

The Housing and Infrastructure Executive Board is asked to consider and endorse the change request recommendation to increase the value of the Full Approval for the Housing Fund from 'up to £10m' (current fund - approved by the CA in 2017) to 'up to £25m' (a £15m enhancement to the HF) and to vary the funding agreement subject to the conditions set out in the Appraisal Panel Summary. Noting that endorsement of this recommendation is subject to consideration and approval by the SCR MCA.

1. Introduction

- 1.1** In line with the Sheffield City Region (SCR) Single Assurance Framework, a Full Business Case (FBC) has been developed and subject to a process of technical Appraisal. Following this, the FBC has been presented to and considered by a Panel of Officers representing the SCR Statutory Officers.
- 1.2** The outcomes of this process are the recommendations presented for endorsement of the Housing and Infrastructure Executive Board (HIEB) prior to seeking approval from the Mayoral Combined Authority (MCA). Most change approvals are reported directly to the MCA; however, given the significance of this change, HIEB endorsement is also being sought.

2. Proposal and justification

2.1 SCR Housing Fund

The SCR Housing Fund (HF) proposals builds on the experience and ongoing successful delivery of the existing Pilot SCR £10m Housing Fund, which currently has the potential to support the delivery of over 1,100 additional new homes which otherwise not be built.

2.2 The proposal is to move from the successful pilot into a full HF for the City Region, retaining the key principles of 'being a fund of last resort' and seeking to recycle funds where possible. Further financial support from the CA will enable the delivery of a further 2,200 new homes that would not be built without the intervention and support of the SCR Housing Fund. The Fund therefore will provide 100% additionality in terms of new housing provision across the City Region.

2.3 A range of potential housing schemes across the SCR remain in the pipeline from the original Pilot Housing Fund Open Call. In addition, further work with Partners has indicated that there is significant demand (**see Item 9, HIEB meeting 15/11/18**) for support to enable additional housing schemes to be developed which are not being able to be supported by alternative funding sources, including national housing funding programmes (see: <https://www.gov.uk/government/publications/geographical-targeting-across-5-housing-programme-funds/geographical-targeting-across-5-housing-programme-funds>).

Assurance Framework

2.4 The Assurance Team has scrutinised the business case to ensure completeness and to test the responses to each of the 5 cases (Strategic, Economic, Financial, Management and Commercial).

2.5 The Appraisal Panel Summary is set out in Appendix A. The overall Value for Money for the fund will be based on the nature and quantum of project applications received. Clawback conditions are considered where appropriate as a condition of the grant award for individual projects. It should be noted that each individual project is required to complete a full business case and the specific value for money assessments and approval to award funding to projects will be made on a per project basis.

2.6 The Appraisal Panel recommends the uplift of LGF allocation for the SCR Housing Fund from 'up to £10m' to 'up to £25m', with the specific project approvals being sought on a per project basis as appropriate as in 2.5 above. This recommendation is subject to;

(a) further work being undertaken to refresh and grow the pipeline and, (b) a detailed "lessons learnt" report for phase 1 is submitted to SCR Appraisal Panel setting out the key learning points and how these will be applied to improve the next phase of the Fund.

3. Consideration of alternative approaches

3.1 Option 1 – Do minimum (No LGF option)

Without LGF investment, SCR would have to rely on existing national investment products and interventions. However, based on evidence of current housing delivery, it is highly unlikely that these will deliver the level of 'additional' housing required to match our economic ambitions and/or unlock problematic sites.

3.3 Option 2 – Do Something (Smaller or Larger SCR Investment)

The nature of the SCR Housing Fund means that it is possible to operate on a smaller or larger scale depending on the availability of LGF. If more funding were available, the scheme would be able to meet the current demand from the pipeline schemes and could potentially support additional schemes, further accelerating housing delivery on stalled sites

in the SCR. A reduced level of funding would mean that potentially viable schemes will remain stalled for longer.

3.4 Option 3 – Preferred Option

The preferred way forward seeks up to £15m additional investment and would satisfy the known potential demand, whilst also enabling new schemes to come forward. If the anticipated demand does not fully materialise, the funds will be redirected to support other eligible projects in the wider LGF pipeline. The Appraisal Panel will monitor progress and keep the Board fully informed.

4. Implications

4.1 Financial

Financial implications have been fully considered by a representative of the S73 officer and included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix A.

Individual schemes which come forward for support from the HF will be considered on a case-by-case basis. As part of the initial review of lessons learnt to date (presented to the HIEB in June 2018 and the HIB in July 2018) it was agreed that the overarching principle of the fund should be to deliver housing, not recover money.

The ambition remains to recover/ recycle some proportion of the HF for future investment, as such grants will only be provided as a last resort and when all other potential funding options have been considered and discounted (as has been the case to date with the operation of the HF).

4.3 Legal

Legal implications have been fully considered by a representative of the Monitoring officer and are included in the Appraisal Summary agreed by the Appraisal Panel as presented in Appendix A.

4.4 Risk Management

Risk management is a key requirement for all submissions and is incorporated into the FBC submission. Where weaknesses have been identified in the FBC in terms of risk management, further work to capture and mitigate these risks is included as suggested conditions in the Appraisal Panel summary sheets.

4.5 Equality, Diversity and Social Inclusion

Schemes that promote environmental sustainability, offer affordable housing or are located on brownfield sites perform better through appraisal and are encouraged. The SCR Housing Appraisal Tool takes account of wider impacts like social amenity value and health benefits.

5. Communications

- 5.1** The business case for this LGF scheme presents an opportunity for positive communications. Officers from the SCR Executive Team will work with the relevant local authority officers on joint communications activity.

6. Appendices/Annexes

- 6.1** Appendix 1: Appraisal Panel Summary

Report Author **Michael Hellewell**
Post **Senior Programme Manager**
Director responsible **Mark Lynam**
Organisation **Sheffield City Region**
Email **Mark.Lynam@sheffieldcityregion.org.uk**
Telephone **0114 2203442**

Background papers used in the preparation of this report are available for inspection at:
11 Broad Street West, Sheffield S1 2BQ

Other sources and references:

N/A

Appraisal Panel Summary

Programme Name	Sheffield City Region (SCR) Housing Fund (HF) Enhancement		
Grant Recipient	Sheffield City Region		
SCR Executive Board	Housing & Infrastructure	SCR Funding	Increase fund from up to £10m to up to £25m

Programme Description

This is a pilot fund of last resort to enable potentially viable housing schemes which would not otherwise not be delivered at all or be significantly delayed, to be considered for support.

The fund will be used to support a range of activity - examples include site remediation, delivery of essential infrastructure and/ or the provision of affordable housing.

Strategic Case

As set out in the SCR Strategic Economic Plan (or SEP) (2014), 'in order to support 70,000 new jobs over the next ten years, the SCR needs to provide on average between 7,000 and 10,000 new dwellings per year'. The requirement to increase housing delivery is critical to achieving our economic vision and meeting the needs of local communities.'

The SEP identifies many barriers to accelerating housing growth (a number of which can be addressed through the SCR HF as part of a range of other funding options.

Together, Local Plans within the SCR are planning for c6,600 homes per annum over the next 15 years. Whilst land has been identified for residential development, there are many limitations to delivery. These range from market viability, to the capacity of the housebuilding sector (skills and supply chain), to affordable finance for house builders and developers, as well as perceptions of the City Region as a place to invest. Within this context, the Housing Fund has a key role to play in addressing market failures, specifically those relating to viability and addressing barriers to the pace at which new housing developments can come forward.

Value for Money

Each scheme will be assessed individually and will only be recommended for approval if it meets a set of criteria. This includes having a positive benefit cost ratio and sufficient evidence regarding additionality and need for the type and tenure of housing proposed.

In the medium term, the objectives of the fund include the following

- Accelerate and enable the delivery of new housing schemes which contribute to housing and economic growth in the SCR;
- To invest in housing delivery across the whole of the SCR, with a focus on the Urban Centres and other Major Growth Areas;
- To support the delivery of and up to an additional 2,200 new homes by 2021/22;
- New housing development which increases gross Council Tax and New Homes Bonus to SCR Local Authorities partners.

Risk

There is a risk that insufficient schemes (in terms of value) are submitted and thus the fund is not fully deployed. There is also a risk that even when schemes are submitted and approved, unforeseen issues make it difficult for contract to be signed on time.

The SCR Commissioning Team will regularly revise and refresh the pipeline and will work proactively with promoters to develop schemes and submit well evidenced business cases. The process for identifying and mitigating risks that slow down progress will also be constantly reviewed with Appraisal Panel the Operational Contracts Team. A “sunset clause” is now included in every Appraisal Panel recommendation for schemes. This sets out a defined window for agreeing and exchanging contracts. Schemes are a risk of losing SCR HF support if this “window” is breached.

Delivery

The SCR Housing Team (led by the Assistant Director for Infrastructure, Housing and Planning) will be responsible for working with potential scheme promoters to submit business cases. The team is currently delivering Phase One of this pilot programme.

Legal

All legal issues will be dealt with on a scheme by scheme basis.

Recommendation	Enhancement of the existing £10m SCR Housing Fund by up to £15m (to take the total housing fund up to £25m)
-----------------------	---

Payment Basis	The payment basis will be tested for individual schemes from the SCR Housing Fund.
----------------------	--

Conditions of Award (including clawback clauses)

Phase 1 of the Housing Fund is being delivered. This top up is recommended for approval on condition that

1. A summary report on the lessons learnt from phase 1 is submitted to the Appraisal Panel for consideration by the end of January 2019.
2. Work continues to refresh and grow the existing pipeline of housing schemes. This will be monitored regularly by the Appraisal Panel and reported onwards when necessary.
3. The final additional LGF investment in the housing fund will be based on the value of the pipeline of housing projects requesting investment. If the refreshed pipeline is deemed to be unlikely to require the full top up requested, the headroom will be redirected to the wider LGF pipeline to support other schemes.

This change request should be reported to the HIEB and the CA as total final spend will be above current delegation limits.

Record of Recommendation, Endorsement and Approval

Project Name

Appraisal Panel Recommendation		Board Endorsement		CA Approval		
Date of Meeting		Date of Meeting		Date of Meeting		
Head of Paid Service or Delegate	Ruth Adams Deputy MD	Endorsing Officer (Board Chair)		Approving Officer (Chair)		
Signature		Signature		Signature		
Date		Date		Date		
S73 Officer or Delegate	Mike Thomas Senior Finance Manager	Statutory Finance Officer Approval				
Signature						Name:
Date						Signature:
Monitoring Officer or Delegate	Steve Davenport SCR CA Solicitor					Date:
Signature						
Date						

This page is intentionally left blank

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

15th NOVEMBER 2018

DRAFT SCR ESTATES TRANSFORMATION STRATEGY

Purpose of Report

The report presents the Draft Estates Transformation Strategy for the Sheffield City Region (SCR) for consideration by the Housing and Infrastructure Executive Board.

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

Secure investment in infrastructure where it will do most to support growth.

Freedom of Information

Reports to Executive Boards are not made available under the Mayoral Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

Recommendations

HIEB are requested to:

- note the process and stakeholder engagement undertaken to prepare the Draft SCR Estates Transformation Strategy;
- comment on the Vision, Key Partnership Principles and proposals in the Draft SCR Estates Transformation Strategy;
- recommend that the Mayoral Combined Authority endorses the Draft SCR Estates Transformation Strategy and continues to engage with public sector partners and other bodies to implement the Strategy for the whole public estate with a view to maximising economic growth and housing outcomes; and
- support the emerging proposals for a SCR programme bid for funding from Round 7 of the Government's One Public Estate Programme.

1. Introduction

1.1 The Board has previously received updates on work to progress the SCR Estates Transformation Strategy (ETS), which has been overseen by the SCR Joint Assets Board (JAB), Chaired by the Chief Executive of Rotherham MBC. The JAB recently agreed the attached Draft SCR ETS (Annex 1) and recommended it for consideration and agreement by the HIEB.

1.2 The SCR ETS will make a significant contribution to helping deliver the SCR's Strategic Economic Plan through the creative and collective use of public sector land and property

assets to leverage additional private and public-sector investment in economic regeneration, housing and jobs creation; whilst also providing more efficient public service provision and reducing costs to the public sector.

The SCR ETS will put in place a new *'shared culture'* and conditions for partnership working in relation to the public estate, enabling:

- A strong, agreed and adopted framework to support collaboration between partners;
- The development of strategic, transformational, high impact public estate projects;
- A more effective strategic way of collaborative working between public sector bodies which will deliver greater benefits across the SCR.

1.3 These are over **6,000 significant public-sector land and buildings** throughout the SCR, but with concentrations being particularly within the SCR's Urban Centres and other Major Growth Areas. The condition and level of usage of these varies greatly with a considerable number of land and properties being under-utilised and/or needing significant investment to make them fit for purpose, whilst the capacity of other properties are over utilised and hugely stretched. The SCR ETS will enable this imbalance to be redressed through coordinated action between public sector partners.

1.4 The work to prepare the SCR ETS and identify and develop opportunities for joined up activity to generate greater outcomes and other benefits through collaboration, has been supported through over £1.3m funding from the Government's One Public Estate (OPE) programme and MHCLGs Land Release Fund (LRF). Projects are projected to enable the development of an estimated 1,350 new houses; over £51m reduction in running costs; avoided the need to invest over £1.4m in capital (by avoidance of backlog maintenance), and generated capital receipts in the region of £50m. This is alongside considerable benefits associated with the co-location of staff and benefits to communities associated with better joined up public services.

1.5 The SCR ETS has been developed in liaison with a wide range of public sector organisations including local authorities, Government Departments, Homes England, NHS Trust, Community Health Partnerships, Clinical Commissioning Groups, Police and Fire and Rescue Services and Network Rail to build a city regional picture of partner ambitions, policy drivers, opportunities and potential property and land reviews/releases over the next 5-10 years.

2. Proposal and justification

2.1 The draft **Vision** for the Sheffield City Region Estates Transformation Strategy is:

"Within Sheffield City Region, the community of public sector bodies will seek to accelerate the development of our collective property and land assets in ways that will deliver more jobs, housing and economic growth while also improving public service delivery through thinking creatively and acting collaboratively."

This draft Vision is aimed at all public-sector organisations, with a view to creating a transformation in the 'culture' of organisations based around strategic partnership working and maximising the value and benefits of the public estate as a result.

2.2 Delivering this draft Vision will ideally involve all public-sector bodies within the SCR committing to adopting the following draft **'Key Partnership Principles'** in relation to the public estate; which are:

1. Engaging positively and openly through the **SCR Joint Assets Board** regarding their strategies and land and property asset plans.
 2. Adopting **proactive partnership working** as standard, and sharing knowledge, experience, and resources where additional benefits can be realised.
 3. Maximising the efficient use and value of the whole public estate through **service re-design and integration**, including effective **challenge and innovative adaptation** of properties.
 4. Participating in **Locality Reviews** through the **Local Estates Forums** to identify and deliver collective solutions to both public service provision and options for the use of surplus and redundant land and properties.
 5. Sharing up-to-date **accurate data and information** on land and property assets to enable real-time digital mapping and analysis of the whole public-sector estate.
 6. Supporting the identification and delivery of **transformational projects**, including the packaging of multiple properties and land into larger portfolios where appropriate, to create more viable housing and commercial development propositions that are also more attractive to inward investors.
 7. Public bodies maintaining **sovereignty** over decisions regarding their assets.
- 2.3** Adopting these draft 'Key Partnership Principles' will be particularly important in terms of the widespread adoption of greater collaboration in exploiting spare capacity through service re-design and integration, and being collectively, more proactive in the redevelopment of surplus and redundant assets. As a result, land and assets will be released to enable the development of a significant number of new homes and commercial development
- 2.4** The Strategy sets out a range of actions and activities to deliver the ETS Vision, which is set out under four themes:
- **Leadership and Governance** – This proposes the continued role of the multi-representative JAB as a Strategic Forum for the public sector to share information, consider strategic alignment of estate strategies and plans, and to identify new innovative projects for collaboration relating the public estate. There is a greater emphasis being proposed to link the Local Estate Forums with the JAB to assist further alignment and joint working through Locality Review, and for aligning the long term Integrated Health and Care System plans such as Hospital Reviews.
 - **Cultural Shift** – This proposes the development of a Memorandum of Understanding for public bodies to embed the new proposed collaborative approaches, and activities such as digitally mapping all public-sector assets to enable real time understanding and analysis; and adopt a minimum notification timeframe for potential surplus estate so as to enable opportunities for shared projects to deliver greater housing and commercial development outcomes to be considered.
 - **Finance and Support** – This proposes a 'resource smart' holistic approach to the public sector's resources, exploring opportunities for the sharing/pooling of resources through joint projects; establishing key skills that could be drawn down as, when and where required to support the delivery of projects; developing shared procurement approaches to minimise costs and improve efficiencies.
 - **Transformational Projects** – This proposes to continue to positive and successful project collaborations to create a sustainable pipeline of public estate

transformational projects that continue to deliver more new homes, economic growth opportunities and public-sector service improvements.

3. Consideration of alternative approaches

3.1 The Draft ETS has been prepared through an iterative interactive process with the SCR Joint Assets Board (JAB) and other public-sector partners, including workshops to consider and test new ways of working, potential transformational projects and best practice. The draft Vision, Key Partnership Principles and proposed actions to implement the Strategy and Vision are a result of this inclusive process, and the JAB will oversee the implementation of the Strategy, with a view to continually seeking to build in up-to-date best practice and alternative new ways of working to implement the Strategy and Vision to maximise efficiencies and effectiveness of delivery.

4. Implications

4.1 Financial

The commission to prepare the ETS has been funded through One Public Estate funding, following a successful SCR OPE Round 5 bid. The financial implications of delivering the ETS Vision are still to be assessed but will be considered as part of the work to finalise the ETS and the accompanying ETS Delivery Plan.

4.2 Legal

There are no direct legal implications arising from this report. Proposals such as the Memorandum of Understanding or in relation to contracts for further projects will require legal advice as appropriate.

4.3 Risk Management

A risk assessment will be developed for the implementation of the ETS and will be continually monitored.

4.4 Equality, Diversity and Social Inclusion

None arising from this report

5. Communications

5.1 A communications strand will be a key part of the ETS Delivery Plan actions, and will be developed through this work.

6. Appendices/Annexes

6.1 Annex A: Draft SCR Estates Transformation Strategy

Annex B: Presentation

Report Author	Colin Blackburn
Post	Assistant Director Housing, Infrastructure & Planning
Director responsible	Ruth Adams
Organisation	Sheffield City Region
Email	Ruth.Adams@sheffieldcityregion.org.uk
Telephone	0114 2203442

October 2018

Sheffield City Region

Estate Transformation Strategy
DRAFT – HIEB 15th Nov 2018

Sheffield
City Region

Contents

0	Foreword - Sharon Kemp	3
1	Sheffield City Region: A Place of Opportunity	4
2	ETS Vision and Key Partnership Principles	8
3	A Changing Public Sector	10
4	Enabling Successful Collaboration	11
5	Next Steps	17

Rev	Originator	Approved	Date
1	Claire Colgan		October 2018

© Turner & Townsend Consulting Limited. This document is expressly provided to and solely for the use of DRAFT – HIEB 15th Nov 2018 on the Estate Transformation Strategy and takes into account their particular instructions and requirements. It must not be made available or copied or otherwise quoted or referred to in whole or in part in any way, including orally, to any other party without our express written permission and we accept no liability of whatsoever nature for any use by any other party.

Foreword - Sharon Kemp

I am pleased to introduce the new Sheffield City Region Estate Transformation Strategy which I expect to make a very significant contribution to the delivery of the city regions economic plan.

Sheffield City Region is a place of innovation and creativity. And it is one that is ambitious.

This ambition includes ensuring that we use the land and physical assets in public ownership to support economic growth as well as supporting public sector partners in a complex governance environment with many of those organisations operating under significant resource constraints.

This requires a willingness and ability to take a collective and collaborative approach that sets each organisation's own drivers alongside the wider benefits to the region.

Our participation in the One Public Estate programme has made a valuable contribution the City Region's ability to facilitate such joint working across the public sector. Funding from this programme enabled the establishment of the cross-sector Joint Assets Board to build the necessary connections and drive a radical programme of reform.

To date the programme has provided over £1.3m funding support for collaborative projects that we believe will enable the development of an estimated 1,350 new houses, c£51m reduction in running costs, avoided the need to invest c. £1.4m in capital (by avoidance of backlog maintenance), and generated capital receipts in the region of £50m, alongside considerable benefits associated with co-location of staff and benefits to communities associated with better joined up services.

This Estate Transformation Strategy the next stage on this journey. It reflects the views and input of a wide range of public sector organisations including local authorities, Government Departments, Homes England, NHS Trust, Community Health Partnerships, Clinical Commissioning Groups, Police, Fire and Rescue Services and Network Rail.

We are very grateful for all the time and thought that they have put into this project.

This presents an opportunity to ensure that strategic land and property has a central role in the future of the City Region's economic growth and public sector transformation. We are committed to capitalising on this momentum to maximise the potential of the City Region's asset base to unlock growth and support public service reform.

Sharon Kemp

CEO Rotherham Metropolitan Borough Council

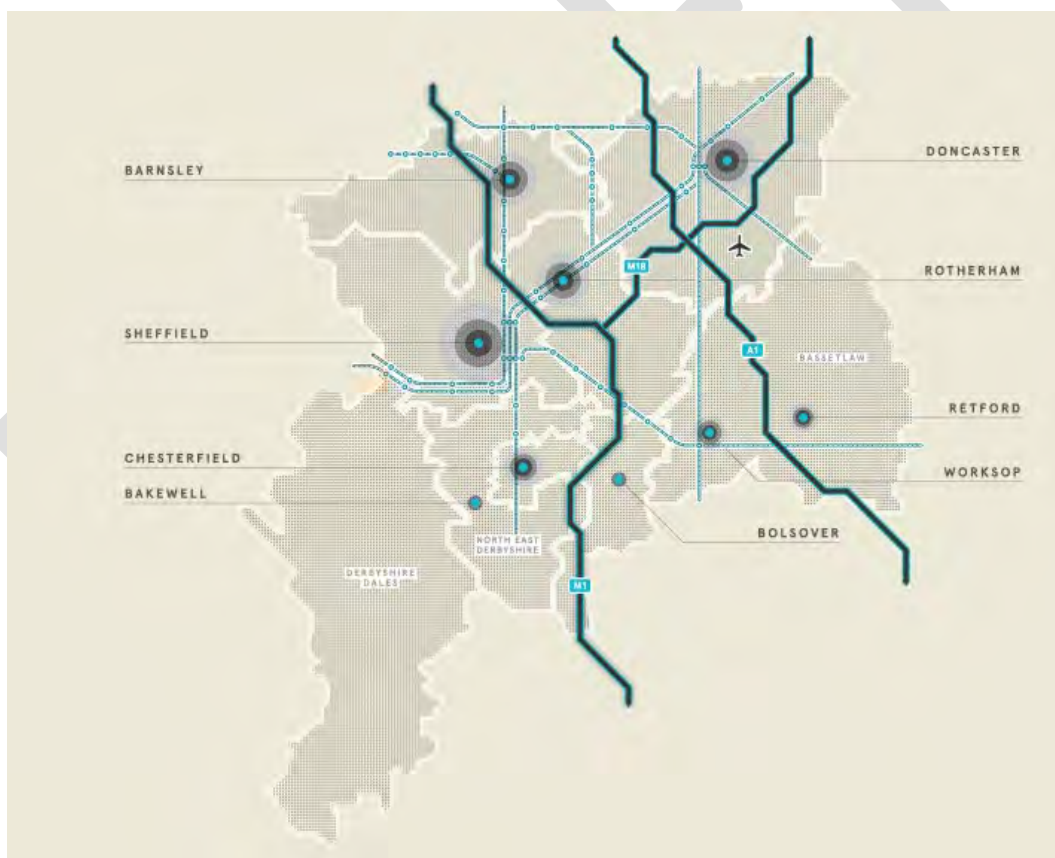
Chair of the Sheffield City Region Joint Asset Board

1 Sheffield City Region: A Place of Opportunity

The Sheffield City Region has a diverse economy comprising a dynamic core city, important towns and market towns, fabulous countryside and a significant rural economy, with the Peak District National Park on the doorstep and the international Doncaster-Sheffield Airport within its boundary. The City Region encompasses more than 1.8 million people and approximately 700,000 jobs.

The City Region is located at the strategic heart of the country. It is comprised of the nine local authority areas of Barnsley, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, Doncaster, North East Derbyshire, Rotherham and Sheffield. Its strategic location means that it has 360° connectivity. The SCR is able to capitalise on its proximity and economic linkages with other key markets, including Greater Manchester, Leeds City Region, Hull and Humber, Birmingham and Nottingham.

The City Region does not have a single dominant sector; instead it has a much more diverse economic base. The historical legacy of manufacturing can be seen to continue to impact upon the area, but it is also transforming to a high value manufacturing and service economy, which is benefitting from the close links between the world class Universities and active public and private sectors within the City Region.



The Sheffield City Region (SCR) Strategic Economic Plan (2014) sets out *'A Vision to create a City Region with a stronger and bigger private sector that can compete in national and global markets'* with key ambitions to deliver 70,000 new jobs and 70,000 new homes over ten years.

Estate Transformation Strategy

This SCR Estates Transformation Strategy (ETS) will make a significant contribution to helping deliver this Vision through the creative and collective use of public sector land and property assets to leverage additional private and public sector investment in economic regeneration, housing and jobs creation; whilst also providing more efficient public service provision and reducing costs to the public sector.

The SCR ETS puts in place a new *'shared culture'* and conditions for partnership working in relation to the public estate, enabling:

- A strong, agreed and adopted framework to support collaboration between partners
- The development of strategic, transformational, high impact public estate projects
- A more effective strategic way of collaborative working between public sector bodies which will deliver greater benefits across the SCR.

The SCR ETS will achieve this through the commitment of all public sector partners to adopting **'Key Partnership Principles'** in the use and future consideration of the public sector estate. This is particularly in terms of the widespread adoption of greater collaboration in exploiting spare capacity through service re-design and integration and being collectively more proactive in the redevelopment of surplus and redundant assets. As a result, land and assets will be released to enable the development of a significant number of new homes and commercial development.

SCR has more than 6,100 significant, publicly owned land and property assets, owned by a variety of public sector bodies as follows¹:

Property Asset Group	Sum of Property Assets	Types of Property Assets
Colleges	25	College Buildings including Administration Offices, Libraries and Teaching Buildings
Local Authorities and Mayoral Combined Authority Group	5,239	Administration Offices, Libraries, Schools, Depots, Social Services, etc.
Central Government (including Homes England)	240	Administration Offices and land, eg. Owned by Network Rail or Forestry Commission
Health Service	383	Acute and Community Hospitals, GP surgeries and primary care centres
Universities	106	University Buildings including Administration Offices, Libraries and Teaching Buildings

¹ Please note that the data shown was gathered at a single point in time (Summer 2018) from SCR partners and therefore will change over time.

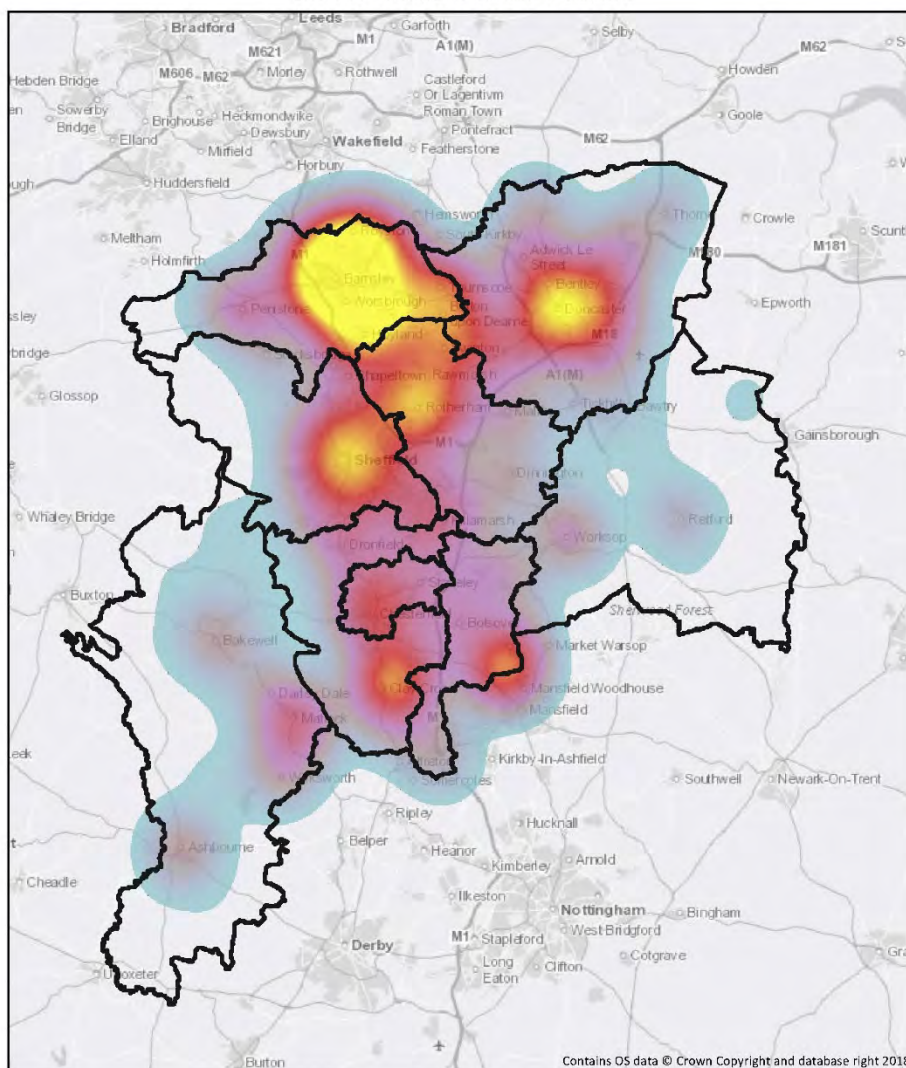
Estate Transformation Strategy

Police, Fire and Rescue Services	112	Police and Fire Stations, Administration Offices, vehicle depots
Total	6,105	

The Electronic Property Information Mapping Service (e-PIMS™) database, which holds a record of all public sector land and property assets across England, currently lists over 9,000 assets for the SCR. These other assets comprise of smaller, less significant assets including a combination of individual small buildings, highways and footpaths, and small plots and strips of land.

These assets are spread geographically throughout the SCR, but with concentrations being particularly within the SCR's Urban Centres and other Major Growth Areas, as shown in the map below.

SCR Public Sector Estate



Estate Transformation Strategy

The condition and level of usage of these varies greatly with a considerable number of land and properties being under-utilised and/or needing significant investment to make them *fit for purpose*, whilst the capacity of other properties are under huge pressure. The SCR ETS provides an opportunity to enable this imbalance to be redressed through coordinated action between public sector partners.

The approach taken to develop the SCR ETS has been to build on existing growth, housing and property strategies to identify and develop opportunities for joined up conversations that will generate greater benefits.

It has been funded through support from the Government's One Public Estate (OPE) programme, which has also already provided over £1.3m funding support for collaborative projects within the SCR to enable the development of an estimated 1,350 new houses, c£51m reduction in running costs, avoided the need to invest c. £1.4m in capital (by avoidance of backlog maintenance), and generated capital receipts in the region of £50m, alongside considerable benefits associated with co-location of staff and benefits to communities associated with better joined up services.

The ETS approach will facilitate the identification and generation of further collaborative transformational projects to be funded through future OPE funding rounds and/or other funding sources and models.

The SCR ETS has been developed in liaison with a wide range of public sector organisations including local authorities, Government Departments, Homes England, NHS Trust, Community Health Partnerships, Clinical Commissioning Groups, Police and Fire and Rescue Services and Network Rail to build a city regional picture of partner ambitions, policy drivers, opportunities and potential property and land reviews/releases over the next 5-10 years.

2 ETS Vision and Key Partnership Principles

The Vision for the Sheffield City Region Estates Transformation Strategy is:

“Within Sheffield City Region, the community of public sector bodies will seek to accelerate the development of our collective property and land assets in ways that will deliver more jobs, housing and economic growth while also improving public service delivery through thinking creatively and acting collaboratively.”

This Vision is aimed at all public sector organisations, with a view to creating a transformation in the ‘culture’ of organisations based around strategic partnership working and maximising the value and benefits of the public estate as a result.

To deliver this Vision, all public sector bodies within the SCR are committed to adopting the following ‘**Key Partnership Principles**’ in relation to the public estate.

Key Partnership Principles

1. Engaging positively and openly through the **SCR Joint Assets Board** regarding their strategies and land and property asset plans.
2. Adopting **proactive partnership working** as standard, and sharing knowledge, experience, and resources where additional benefits can be realised.
3. Maximising the efficient use and value of the whole public estate through **service re-design and integration**, including effective **challenge and innovative adaptation** of properties.
4. Participating in **Locality Reviews** through the **Local Estates Forums** to identify and deliver collective solutions to both public service provision and options for the use of surplus and redundant land and properties.
5. Sharing up-to-date **accurate data and information** on land and property assets to enable real-time digital mapping and analysis of the whole public sector estate.
6. Supporting the identification and delivery of **transformational projects**, including the packaging of multiple properties and land into larger portfolios where appropriate, to create more viable housing and commercial development propositions that are also more attractive to inward investors.
7. Public bodies maintaining **sovereignty** over decisions regarding their assets.

It has been clear through the engagement undertaken with public sector partners across the SCR in developing the SCR ETS, that there is a broad willingness to collaborate between partners, and work together to find targeted solutions.

There are challenges such as dealing with multiple organisational governance arrangements and competing objectives, as well as different levels of capacity and capability to take forward joint complex projects.

The SCR ETS Vision and Key Partnership Principles provide the **'framework'** for addressing these challenges and harnessing the willingness to collaborate and overcome barriers. The resultant **'cultural shift'** will require public sector bodies finding the right balance between retaining sovereignty over decision making on their assets and sharing information and considering opportunities in the wider regional context. Service delivery organisations are increasingly expected to engage in the need to support housing and economic development as part of this. All this will take time to fully embed and will require senior buy-in within all public sector partners.

The ultimate aim of the SCR ETS is to move collectively towards a more joined up and consistent approach to dealing with the public estate irrespective of the public sector asset owner.

DRAFT

3 A Changing Public Sector

Across the public sector in England there are continuing shifts in service delivery models seeking new ways of working to meet citizens' needs and bring public services together. The aim is to create more coherent service delivery vehicles and optimise the location of delivery such as in specialist facilities like hospitals or in local community facilities.

Nationally, regionally and locally, the public sector is under increasing pressure to reduce costs, streamline service delivery, release land for housing and commercial developments and find capital to contribute to the costs of development and enhancement projects. These pressures are resulting in closer scrutiny of how property assets are used, with many public bodies looking to reorganise service delivery and reduce non-customer facing operations; as well as reducing their property portfolio to secure capital receipts and reduce running costs.

Public sector bodies can seek to respond to these pressures by simply focusing on their own immediate domain and look for routes to take land and properties to the market in as rapid way as possible. However, there is a growing body of experience, much of which has been supported by the Government's One Public Estate programme, that shows that taking a more collaborative approach can deliver greater outputs and outcomes, including:

- **Clustering of properties** within a common geography that has enabled more ambitious and innovative mixed use developments to be realised, creating real opportunities for placemaking and bringing services together within hubs that offer a more joined up proposition for the local community.
- Carrying out reviews of **public service delivery** with partners and communities which provide opportunities to find **combined delivery solutions** that bring wider regeneration and social benefits.
- Bringing services together that not only provide efficiency savings but also have surprising additional benefits to those directly involved such as reducing sickness absences.
- Undertaking **locality reviews** to take a collaborative and joined up approach to place based property planning to identify opportunities for **collaboration and shared property asset** usage between the key public sector partners.
- Utilising **Local Estate Forums** to forge strong relationships between partners so that individuals know each other and feel a strong sense of mutual support and ability to trust others to act in a way that takes account of wider aims as well as the drivers of their own organisations.

Securing these wider benefits requires organisations to take a collaborative approach and operate with a greater degree of openness regarding their property strategies and plans. This can raise sensitive issues, particularly where there are careful negotiations to be managed with staff or communities affected by potential changes and/or where the release of information about options being explored needs careful and precise management.

4 Enabling Successful Collaboration

A range of key strategic actions have been identified to enable successful collaboration and bring about the holistic ‘**cultural shift**’ in public sector organisations across the City Region needed to embed the ‘**Key Partnership Principles**’ and deliver the SCR ETS ambitions.

These have been informed by comparisons between existing SCR practice and the characteristics and good practice in other high performing partnerships, as set out in the SCR ETS **Opportunities Analysis Report**. These are outlined below under the following four themes.

- Leadership and Governance
- Cultural Shift
- Finance and Support
- Transformational Projects.

The accompanying SCR ETS Delivery Plan provides further details of the specific actions relating to each of these thematic areas including specific timescales, responsibilities, and resource requirements.

Leadership and Governance

The **SCR Joint Assets Board** will provide the Strategic Forum for public sector organisations within the SCR to share relevant information well in advance of public announcements and consider the high-level connections between strategic asset plans and strategies.

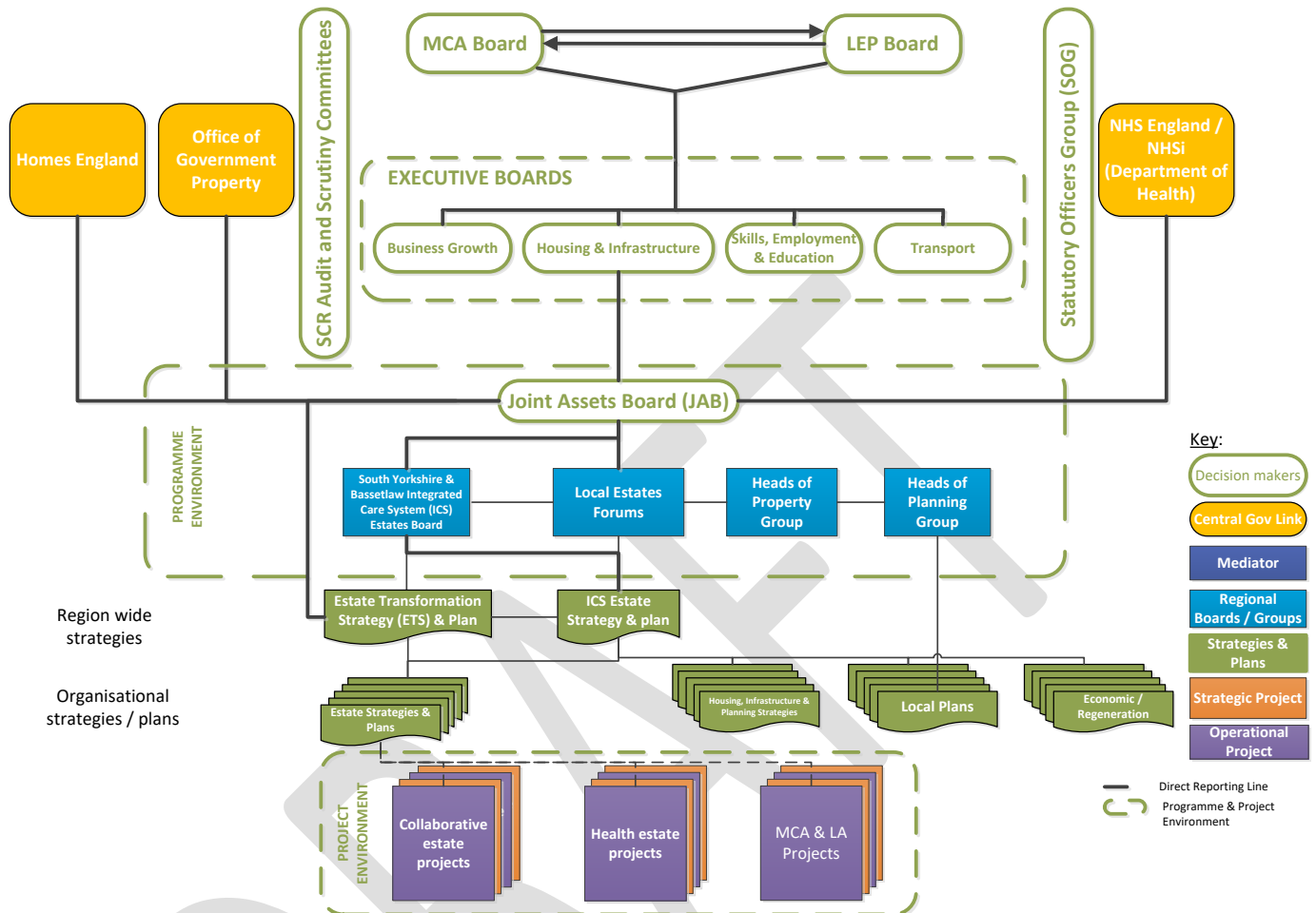
In this way, the Board will enable the identification much earlier of potential cross organisational and cross boundary project opportunities including; for example, enabling the transfer or acquisition of land and property assets between public sector partners, if agreeable, where this could accelerate the delivery of housing and commercial development opportunities.

The Board will be the driving force in moving towards a more joined up and consistent approach to dealing with the public estate irrespective of the public sector asset owner. It will also provide constructive strategic challenge to Local Estates Forums (LEF), Health bodies, Government Departments, and Homes England on this agenda, and will facilitate collaboration on cross boundary projects between different LEFs and with other strategic partners.

The Board will be Chaired by a local authority Chief Executive, but with a potential longer term option as the Board evolves, for a senior SCR politician to take the Chair’s role. The Board is part of the wider governance and executive arrangements within the SCR Mayoral Combined Authority (MCA) and Local Enterprise Partnership (LEP), and currently reports to the SCR MCA through the SCR Housing and Infrastructure Executive Board.

Estate Transformation Strategy

The following diagram shows the relationship of the SCR Joint Assets Board to the wider SCR governance and executive arrangements:



The role and reporting arrangements of the Board will be reviewed in due course as part of the wider review of the SCR governance arrangements. However, in the immediate period, there would be benefits in enhancing the composition of the Board to be more inclusive and better reflect the range of public sector organisations covered by this SCR ETS. As a minimum, the composition should include senior representation from the MCA, local authorities, Government Departments, Homes England, NHS/CCGs, Police/Fire and Rescue Services, and Network Rail.

Operating across whole and/or multiple local authority areas, and bringing together at the local level multiple public sector partners with the same ambition and commitment to working collaboratively, the five **Local Estate Forums** covering the SCR area are pivotal in both generating new collaborative projects and delivering those projects, including in partnership with the private and voluntary sectors and local communities where appropriate.

They will lead on undertaking **Locality Reviews** which look at all public sector needs and resources within a local area to identify opportunities for service integration and alignment, and which land and property assets may be surplus to requirements. Local Authorities are represented on the LEFs by the **Heads of Property**.

A priority is to provide stronger direct links between the LEFs and the SCR Joint Assets Board as the LEFs are well placed to play an increasing role in delivering the SCR ETS ambitions. These linkages will aim to be strengthened in the first instance by aligning the Terms of References of the JAB and LEFs.

The Board will for the first time provide a strategic Forum for joining up the public land and property asset activities of the Health Service, such as Community Health Partnerships and the NHS Integrated Care System (ICS). There will be significant opportunities for collaboration as the ‘Sustainable Transformation Plans’ are implemented, which will provide not only opportunities for joining up with the wider public estate such as through more shared ‘**community hubs**’ and through the delivery of ‘**Hospital Reviews**’ such as in South Yorkshire and Bassetlaw, but also additional housing and commercial development opportunities as a result of land and buildings being surplus to health service delivery requirements.

It is the intention to review this SCR Estates Transformation Strategy periodically, the ambition is to seek at the next review to develop a **Single Strategic ETS**, if practical, that also embeds the ambitions and strategy of the South Yorkshire and Bassetlaw ICS Estate Strategy and potentially other Clinical Commissioning Group (CCG) Asset Strategies in the SCR. In this way, there will be one single overarching Asset Strategy for joining up all public estates which will enable even greater collaboration and the joining up and alignment of asset strategy and plans, resources and opportunities.

There is already some alignment between the strategies, and the direction of travel is to develop further alignment over time. However, this will require much further cross organisational work to join-up approaches and activities, but there is a strong willingness within partners to achieve this outcome.

Cultural Shift

The new SCR culture will be formed over time by the values and beliefs that permeate through the Partnership and come directly from our partners and is evidenced by the systems, policies and procedures that are followed on a day-to-day basis. The **SCR ETS Vision** and ‘**Key Partnership Principles**’ are the starting point for embedding this new culture of collaboration and trust throughout the public sector to develop projects which help us to deliver the ETS ambitions. Unless the culture that the organisation is aspiring to achieve is ‘backed up’ by the values and beliefs that are at play in the organisation, it’s unlikely to be realised.

Therefore, this ‘cultural shift’ is fundamental to how Partners connect and is dependent upon a number of building blocks that include and are reflected in the ETS Delivery Plan. The SCR Joint Assets Board will play a key role to play in embedding this ‘cultural shift’ and will personally and consistently demonstrate the new culture and also challenge existing policies and procedures, where necessary. This will include:

- Developing a **Memorandum of Understanding** for adoption by all Partners, demonstrating the commitment of all Partners to the expectations and respective roles and responsibilities of all the Partnership;
- Sharing resources, co-investment opportunities, and project risks; and

- Adopting a minimum 40 days' notice arrangement to bring potential surplus land and assets' for disposal to the Joint Assets Board for consideration of potential strategic alignment opportunities and / or transfer or acquisition opportunities (with any necessary confidentiality arrangements).

The Partnership will **digitally map all 9,000 significant public assets** across the SCR in a Geographical Information System (GIS) format, parts of which will be publicly available in time through a web-based information tool. A key benefit of this would be to enable a direct link to be made with wider SCR Trade and Investment activity and the SCR Investable Opportunities pipelined which is focussed on promoting and attracting private sector investment, as prioritised in the SCR SEP.

The medium-long term intention is to put in place systems and processes to enable 'real-time / up-to-date' asset information to be available that tracks progress with the status of assets at any one time. It would also enable analysis to be undertaken of how surplus public sector land and assets is linked to and could play a part in economic and housing strategies and area masterplans; this is particularly where such surplus assets are located with the SCRs identified Urban Centres and other Major Growth Areas, which could provide additional private sector Investable Propositions and/or help strengthen business cases for both private and public investment in Growth Areas.

Finance and Support

Resources across all public sector bodies are becoming increasingly stretched, which is also impacting on the ability to bring forward capital schemes to development readiness and to deliver those schemes as quickly as could be achieved; even when funding has been identified. To fulfil the SCR ETS ambitions at both a partnership and project level, will require sufficient and suitably skilled resources to support to identify, develop and deliver the collaborative transformational project opportunities referred to in the following section. Additional project capacity supported by OPE funding has already demonstrated how schemes can be accelerated by targeting resources better.

The new 'culture' set out in the Key Partnership Principles of greater collaboration enables the partnership to be much more '**resource smart**'; becoming more effective and efficient in utilising the joint skills and capabilities across public sector bodies in a smarter way, particularly on joint projects. This may involve sharing staff with specific skills; sharing project and development risk; and/or co-investment.

Engagement with partners has indicated that capacity needs can be categorised into the following skill groups:

- **Opportunity Development Management** - to work with partners to build networks, facilitate mapping and locality reviews, to share information and good practice and to work with partners to identify project opportunities and drive forward funding bids.
- **Programme Management** - to coordinate, manage and maintain the partnership's various workstreams and projects to optimise their output and outcomes and to report progress to the partnership Groups, partners and stakeholders.
- **Project Management** - capacity to lead a project from inception to execution and report progress to the partnership. This capacity is needed to plan, execute and manage the people, resources and scope of the project.

The SCR MCA has recently appointed a Project Manager, funded through OPE, whom is supporting a local authority to accelerate the delivery of OPE Programme housing schemes. This resource will be available in time to be ‘called upon’ by other local authorities to support further schemes. There would be benefits in expanding this central resource, subject to further funding availability, to provide a flexible skilled resource team that can be targeted at transformation projects wherever they are in the SCR.

The Partnership will though explore other collective routes and resourcing models to secure additional capacity or expertise when and where required; for example, when projects have been identified and require specific expertise to test their viability or to take them forward. Specific skills sets that will be particularly required are:

- Business case development
- Planning advice
- Feasibility studies
- Legal services.

The Partnership will also explore opportunities for joining up procurements activities such as frameworks, joint procurement, and sharing and standardising briefs for property activities. This would involve raising the Partnership’s level of ambition to source options that all partners could use and exploit including:

- Services that can be procured collectively
- Methods of joined up, strategic procurement
- Different asset pooling approaches
- Standardised project delivery approaches.

Learning from OPE Partnerships elsewhere and also local experience, research will be undertaken into various resourcing and procurement options, with an intention to then collectively prioritise areas for further development and action planning that can include requirement specifications, procurement options, funding options and methods for securing additional capacity.

Transformational Projects

Projects are key to the ongoing success of the Partnership and it is the ambition to continue to identify and deliver transformational, high impact public estate development or relocation projects and approaches where acting at a SCR level adds real value by aligning investment and supporting economic development, housing growth and public sector transformation.

Some successful and ongoing SCR collaboration projects to date include:

- The Business Case for the relocation of staff and services from Sheffield Health and Social Care Foundation Trust HQ at Fulwood House
- Barnsley Archiving Hub
- Locality Asset Reviews in Darnall, Worksop and Bentley

Estate Transformation Strategy

- Rotherham Town Centre.

In preparing this SCR ETS a number of potential future collaborative projects which could lead to housing and commercial outcomes, as well as public service efficiencies and significant cost reductions have been identified. However, this pipeline presents a point in time, and the Partnership will seek to keep this up-to-date which may entail new schemes being included and whilst other schemes may 'fall-out' of the pipeline depending on individual circumstances.

A key action in the accompanying ETS Delivery Plan is for the Joint Assets Board to oversee a clear process or 'route map' to generate a sustainable pipeline of projects that reflects the changing public sector environment. The 'Key Partnership Principles' provides partners with a clear route to generate and take project ideas forward which should:

- Utilise existing Groups or initiatives such as the Local Estate Forums and Locality Reviews
- Initially led by a 'Partnership Manager' to establish the opportunity and bring together the resources, ensuring there is a sufficiently robust case for it to proceed
- Set out the tools, roles and responsibilities for identifying and managing projects
- Utilise project collaboration agreements to establish clear roles, responsibilities and ways of working for each project
- Funding streams and funding criteria, submission dates and documentation required.
- Identify resources required to take forward each project
- Be managed at a programme level by a Programme Manager
- Be managed at a project level by a Project Manager.
- Be supported by the relevant Local Estates Forum

The project route map will be owned by the Partnership as a whole and will be adopted by all partners and forums including the Local Estate Forums and Heads of Property Group and will be a standing agenda item at the SCR Joint Assets Board where partners will be able to share news on new projects, funding options and milestones achieved.

5 Next Steps

The ETS Delivery Plan sets out the key actions and activities to deliver the SCR ETS Vision and ambitions that the Partnership needs to implement over the next 3 to 12 months to put in place the new 'shared culture' and conditions for partnership working in relation to the public estate, enabling:

- A strong, agreed and adopted framework to support collaboration between partners
- The development of strategic, transformational, high impact public estate projects
- A more effective strategic way of collaborative working between public sector bodies which will deliver greater benefits across the SCR.

The ETS Delivery Plan comprises the following key delivery information:

- A description of the priority activity
- Intended outcomes of the priority
- Name of the sponsor
- A priority rating (High/Medium/Low)
- An ease of implementation rating (Hard/Moderate/Easy)
- Key activities to be delivered
- Timeframe for each activity
- Tools required to deliver the actions e.g. workshops / interviews
- Resources required per action.

The ETS Delivery Plan will be owned by the Partnership and as a matter of urgency the partnership needs to review and identify action owners across both the partnership and the SCR.

Delivery of the priorities will be monitored and overseen by the SCR Joint Assets Board with progress being reported at each meeting, and if necessary, mitigation measures will be suggested by the Board to address any slippage.

Success will be achieved when the priority actions have been delivered and it is evident that the proposed 'cultural shift' is firmly embedded within all public sector organisations and the identification and delivery of collaborative transformational projects is seamless and second nature.

Sheffield City Region

ESTATES TRANSFORMATION STRATEGY

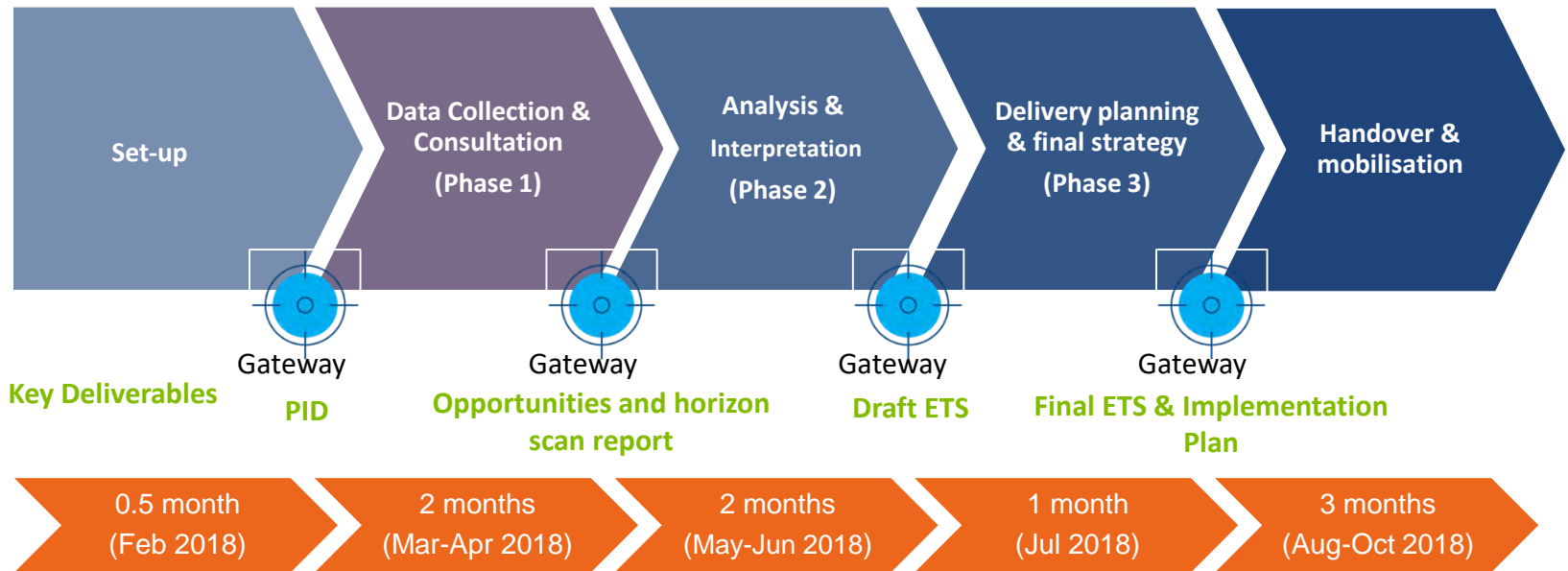
HIEB 15th November 2018

Colin Blackburn

SCR ESTATES TRANSFORMATION STRATEGY

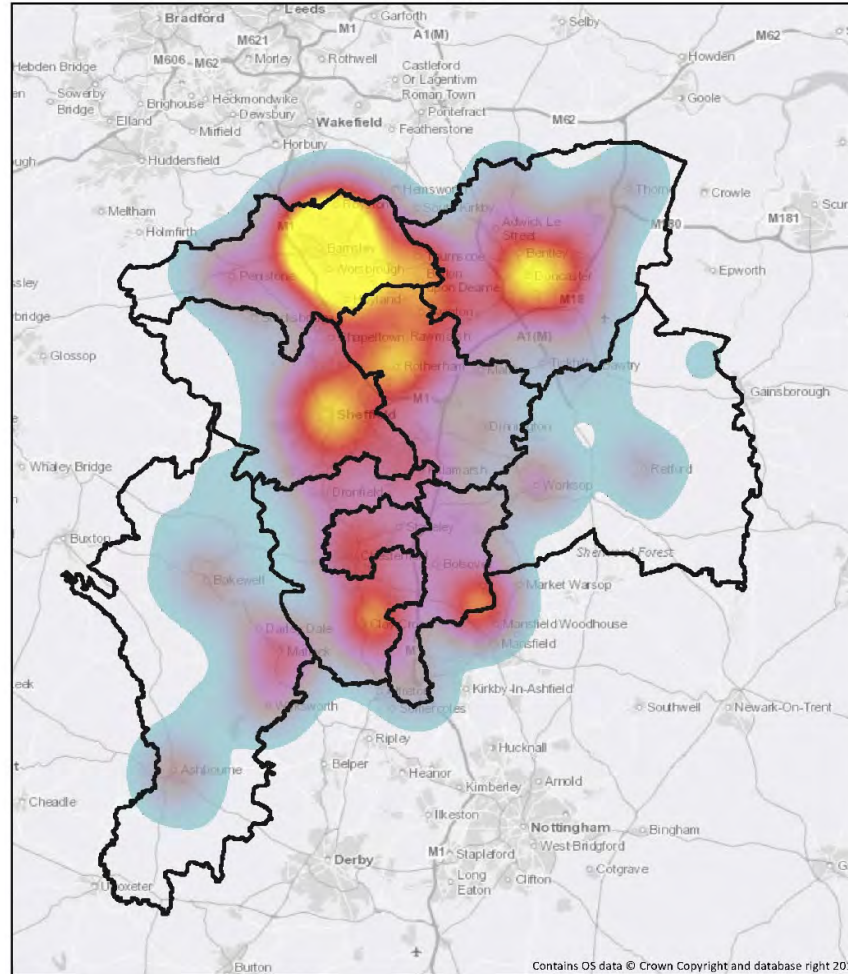
- Appointed Turner & Townsend in February 2018
- Initial work developed an evidence base to enable the identification of:
 - a consistent framework to support collaboration between partners; and
 - a set of strategic, transformational, high impact public estate projects.
- Seeking opportunities for the SCR to add value by facilitating partners working together at the city region level.

Page 55



9,000 PUBLIC SECTOR ASSETS 6,000 SIGNIFICANT ASSETS

SCR Public Sector Estate



ESTATE TRANSFORMATION STRATEGY: KEY PARTNERSHIP PRINCIPLES

1. **Engaging positively and openly** through **SCR Joint Assets Board**
2. **Proactive partnership working** as standard, and sharing knowledge and resources.
3. Maximising the **efficient use and value** of the whole public estate.
4. Focus on **Locality Reviews** through **Local Estates Forums** – collective solutions for public service provision and surplus assets.
5. Sharing **up-to-date accurate data and information**.
6. **Transformational projects** - multi-body, multi schemes for the private investment.
7. Maintaining **sovereignty** over asset decisions.

ESTATE TRANSFORMATION STRATEGY: VISION STATEMENT

- *“Within Sheffield City Region, ...*
- *the community of public sector bodies will seek to ...*
- *accelerate the development of our collective property and land assets...*
- *in ways that will deliver more jobs, housing and economic growth...*
- *while also improving public service delivery...*
- *through thinking creatively and acting collaboratively.”*

DELIVERY PLAN: PRIORITY 1 – LEADERSHIP AND GOVERNANCE

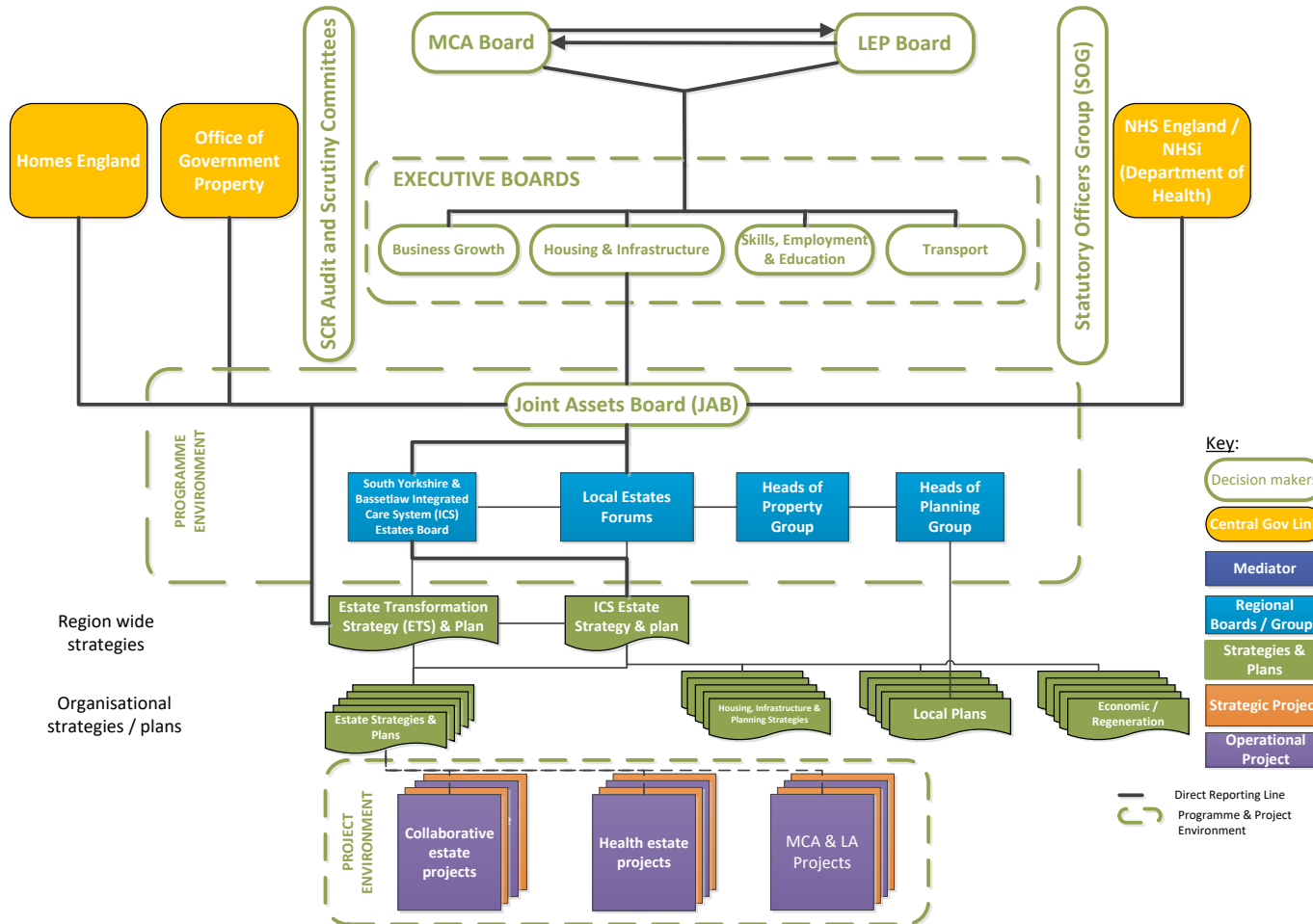
Aim

To improve and embed the governance arrangements for the SCR Joint Asset Board, Local Estate Forums and Integrated Care System arrangements so that partners understand the purpose and their role within each of the Groups and there are clear flows of information and accountability/support between them.

Key Actions

1. Enhance the composition of the SCR Joint Assets Board
2. Strengthen the link between JAB and Local Estate Forums
3. Embed the link with the NHS Integrated Care System strategies and plans
4. Finalise the SCR ETS Delivery Plan
5. Continually review joint working arrangements and opportunities

ESTATE TRANSFORMATION STRATEGY LEADERSHIP & GOVERNANCE



DELIVERY PLAN: PRIORITY 2 – CULTURAL SHIFT

Aim

To strengthen the partnership by agreeing and embedding the ‘Key Partnership Principles’ within all public sector partners’ policies and activities.

Key Actions

1. Individual public sector partners to endorse and embed the Key Partnership Principles and ways of working
2. Define the Principles operationally
3. Prepare and agree a joint Memorandum of Understanding
4. Adopt a minimum 40 day notification period for surplus assets
5. Digitally map all 9,000 assets and put in place ‘real-time’ information processes

DELIVERY PLAN: PRIORITY 3 – FINANCE AND SUPPORT

Aim

To embed a smarter way of working so that the Partnership can be more effective and efficient in utilising their joint skills, resource and capabilities to deliver joint projects and initiatives, and identify routes to securing more resources.

Key Actions

1. Develop a greater pool of expertise / resources that can be *called-on* by Partners
2. Embed a culture of sharing resources on joint projects and standardised delivery approaches
3. Maximise funding opportunities for shared projects
4. Explore joint procurement approaches

DELIVERY PLAN: PRIORITY 4 – TRANSFORMATIONAL PROJECTS

Aim

To establish and embed a clear ‘route map’ and guidance for partners to follow when developing and delivering transformational projects.

Key Actions

1. Develop and maintain a sustainable pipeline of transformational projects
2. Finalise the ‘Route Map’ providing guidance for Partners on taking project ideas through to delivery.
3. Maintain an up-to-date SCR Assets Mapping and Information Tool to inform future pipeline projects

Questions & Discussion

HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD

15TH NOVEMBER 2018

SHEFFIELD CITY REGION STRATEGIC ECONOMIC PLAN: HOUSING EVIDENCE & ISSUES

Purpose of Report

The report provides an update on work currently underway to refresh the Sheffield City Region (SCR) Strategic Economic Plan (SEP) and prepare a Local Industrial Strategy (LIS), with a specific focus on housing issues. The report requests the Board's views on the evidence gathered to date, (for example the key findings from recently completed the SCR Housing Affordability Study).

Thematic Priority

This report relates to the following Strategic Economic Plan priorities:

- Secure investment in infrastructure where it will do most to support growth.

Freedom of Information and Schedule 12A of the Local Government Act 1972

Reports to Executive Boards are not made available under the Mayoral Combined Authority Publication Scheme. This report is not exempt under Part II of the Freedom of Information Act 2000.

Recommendations

That HIEB members:

- Note and comment on housing issues raised by ongoing work to develop the evidence base for the Strategic Economic Plan Review and development of the Local Industrial Strategy for the Sheffield City Region
- Endorse the SCR Housing Affordability Study (at **Appendix B**) as an important part of the evidence base for the Strategic Economic Plan Review and development of the Local Industrial Strategy for the Sheffield City Region

1. Introduction

- 1.1** This report provides an update on recent housing evidence and an update on work to update the SCR Strategic Economic Plan (SEP) and prepare a new Local Industrial Strategy (the LIS). The views of HIEB are invited on the ongoing strategic housing related evidence base work to inform the SEP Refresh and LIS, as well as some of the key outputs of emerging and completed work.

- 1.2 The current SEP was agreed in 2014. Many things have changed in the intervening period, including much of the economic, social and political context which helped to shape the first SEP.
- 1.3 At their meeting in September this year, the Local Enterprise Partnership (LEP) Board took the decision to refresh the SEP in order to develop a new, inclusive Strategic Economic Plan as well as prepare a Local Industrial Strategy (LIS) for the City Region.

2. Proposal and justification

- 2.1 The SEP Refresh provides an opportunity to develop a new economic strategy and a LIS that together form the strategic framework ongoing growth and prosperity across the City Region. The work also provides an opportunity to update the current evidence base in line with local economic ambitions, as well as the Government's current focus upon addressing the productivity challenge.
- 2.2 It is acknowledged that there are a number of gaps in the current evidence base that will need to be filled as the SEP refresh progresses. Based on discussions around the earlier work and the Mayor's Manifesto, there is a particular need for a greater understanding of the inclusive growth challenges facing the area, with a particular focus on issues like poverty and prosperity, job security, living costs, unemployment and volunteering. Work has now started to fill these gaps, utilising consultancy support and (where possible) innovative datasets.
- 2.3 As part of the SEP refresh it will also be important to consider how housing and related issues are addressed in the current evidence gathering stages. This will help to ensure that housing is properly reflected in the new SEP and help to shape its priorities, feeding into the LIS where relevant.
- 2.4 The attached presentation (**Appendix A**) summarises the current evidence base and highlights key trends and issues, including an analysis of wider demographic and housing statistics. The focus of housing activity at a SCR-level to date has been primarily focused on 'housing growth'. As discussed at the HIEB previously, and as reflected in the SCR Mayoral Manifesto, these is an acknowledgment that wider issues such as affordability, type, tenure, quality and sustainability are also increasingly important factors contributing to functioning and attractive housing markets.
- 2.5 With this in mind, an independent consultant was commissioned to undertake a 'SCR Housing Affordability Study' (**Appendix B**). This draws on a range of national and local datasets / sources of information (including the Strategic Housing Market Assessments of Local Authority partners and nationally available information). This study aims to assess the potential impacts of housing affordability on the ability of households to access and retain employment, and on incentives to take up jobs or move to jobs with higher skills and higher pay, and on the ability of households to meet their current and future housing /social needs. It also identifies potential programmes of provision to address issues of affordability across the city region and in the constituent and non-constituent districts and help meet likely future housing needs.
- 2.6 The key findings of the Study are set out in the accompanying presentation. The Study has been well received by our Local Authority partners following consultation with the Directors of Housing. The Study will also be shared more widely with SCR partners following consideration by the HIEB.

3. Consideration of alternative approaches

- 3.1 The alternative option would be to allow the current SEP refresh to continue without the full engagement of HIEB members. This may mean that insufficient or outdated evidence on housing is utilised, risking the outcomes of the review and the final content of the SEP in respect of housing.

As the SEP is an overarching economic strategy, and the LIS is a more focused on productivity improvements, the involvement of the HIEB members throughout the process will be valuable.

4. Implications

- 4.1 **Financial** - The consultancy costs for producing additional evidence required are accounted for within the agreed development budget.
- 4.2 **Legal** - The procurement and contracting of this consultancy work will be undertaken in accordance with BMBC and SCR guidance and instructions.
- 4.3 **Risk Management** – Work will be separated in to workstreams and project managed accordingly. As a result, risks and risk areas will be identified and planned for.
- 4.4 **Equality, Diversity and Social Inclusion** - There are no diversity implications of this report.

5. Communications

- 5.1 Evidence updating and gathering, developing of the SEP and LIS provides an opportunity to:
 - Utilise evidence to support corporate messaging around strengths and weaknesses and to establish a compelling vision for growth.
 - Voice our disappointment at missing out on the last wave of developing a local industrial strategy with government.
 - Engage internal and external stakeholders through promoting the work on our website, therefore being more transparent but also gaining buy-in from stakeholders.

6. Appendices/Annexes

- 6.1
 - **Appendix A** – Presentation on Housing Evidence
 - **Appendix B** – SCR Affordable Housing Study

REPORT AUTHOR	Jonathan Guest & Garreth Bruff/ Michael Hellewell
POST	Senior Economic Policy Manager & Senior Programme Managers
Director responsible	Mark Lynam
Organisation	Sheffield City Region
Email	mark.lynam@sheffieldcityregion.org.uk
Telephone	0114 220 3442

Background papers used in the preparation of this report are available for inspection at:
11 Broad Street West, Sheffield S1 2BQ

Other sources and references:
N/A

Sheffield City Region

SEP REVIEW: HOUSING EVIDENCE

SCR HIEB – 15th NOVEMBER 2018

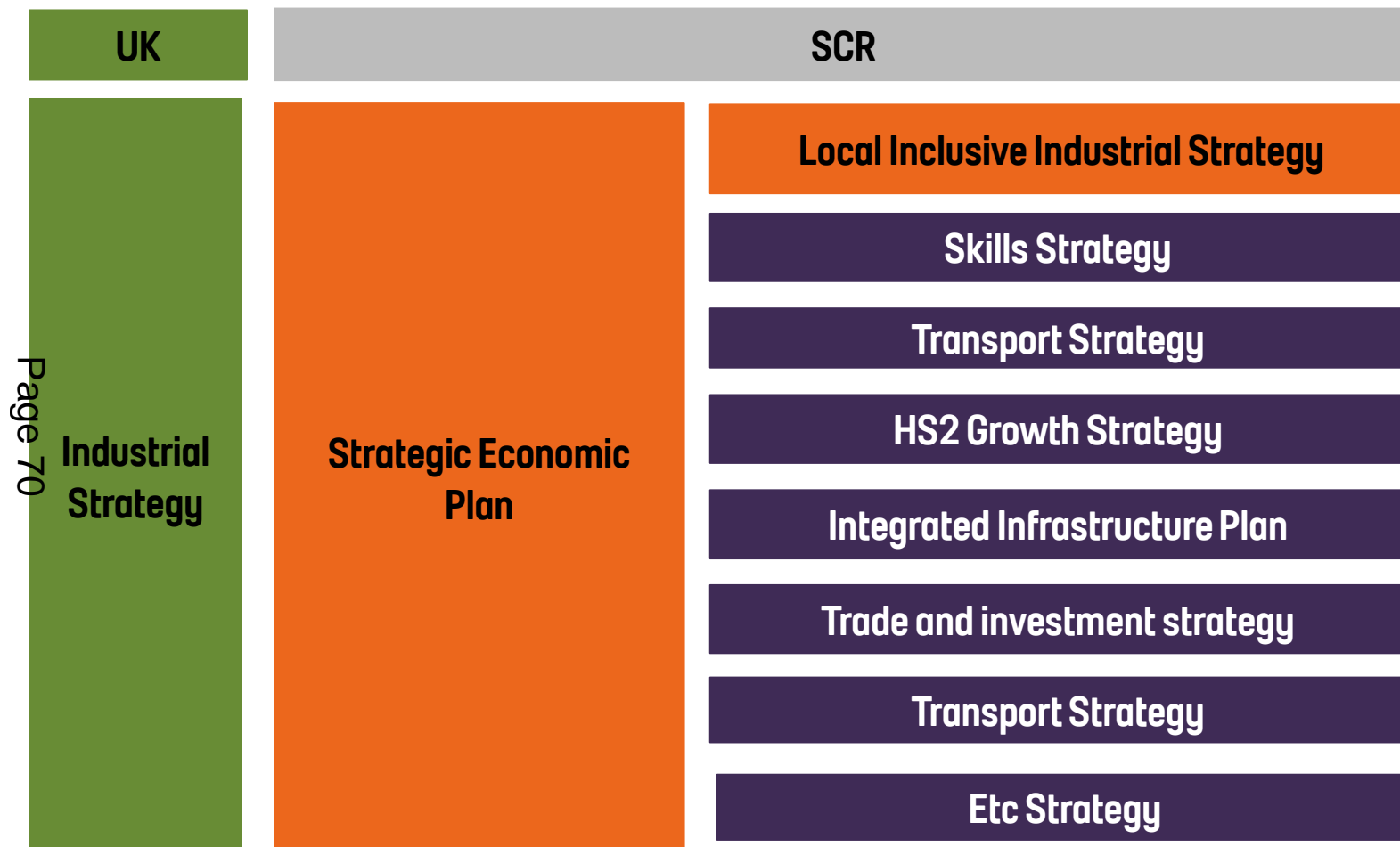
CURRENT SEP FOCUS: HOUSING GROWTH

- **Objective:** Increase the delivery of **affordable** and **high quality** homes, ensuring our **residential offer** supports our **economic aspirations** as well as the **needs of our growing and changing population**.
- “...in order to support 70,000 new jobs over the next ten years we need to provide on average between **7,000 and 10,000 new dwellings per year...**”
(*SCRs Strategic Economic Plan, March 2014*).
- Current SEP targets informed by economic growth forecasts and resulting population and housing requirements
- Net housing completions risen steadily over past 5 years from 3,122 (2012/13) to 6,142 (2016/17)
- Delivered 16,500 total net new homes over past 3 years (against a SEP target of 21,000+)

Page 69



POLICY CONTEXT



POLICY CONTEXT

Strategic Economic Plan

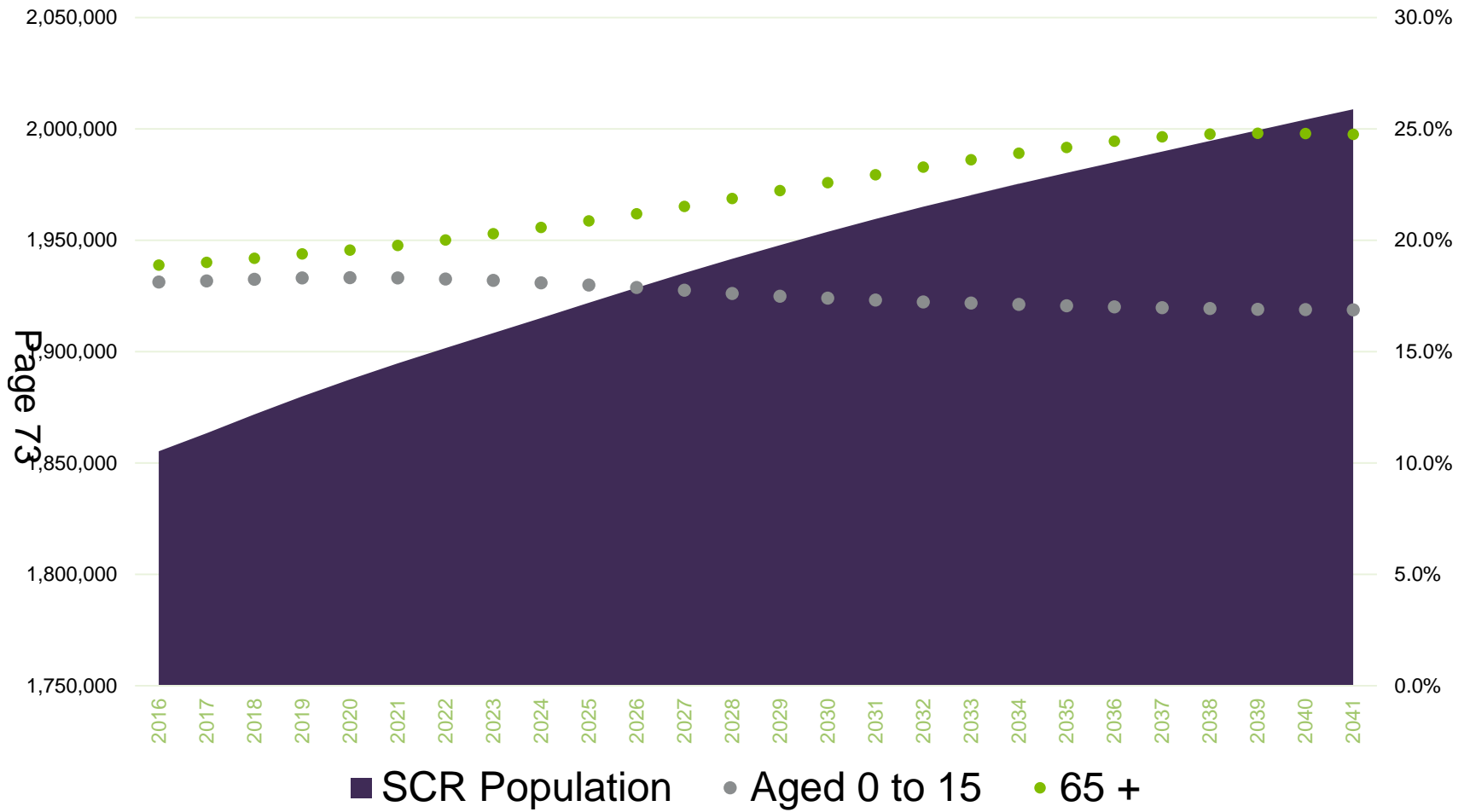
- Intelligence-led
- Central steering document
- Strategic direction
- Wider economic opportunities and challenges.
- Ambitious regional priorities

Local Inclusive Industrial Strategy

- Intelligence-led
- Collaboration to deliver growth
- Productivity
- Agreement with Government for resources
- Economic clusters and priorities
- Resourcing and funding

DEVELOPING THE HOUSING EVIDENCE BASE

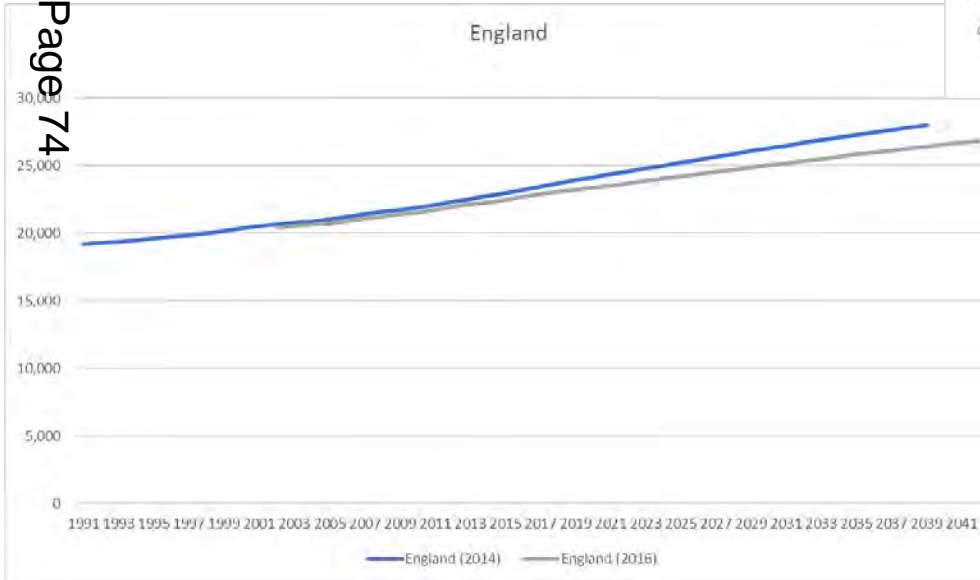
POPULATION PROJECTION



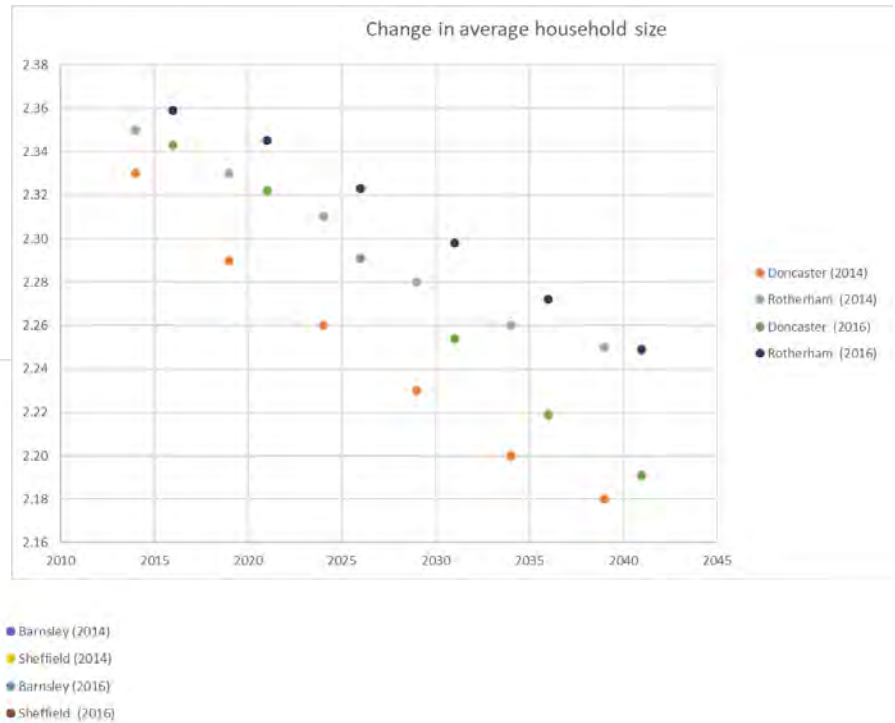
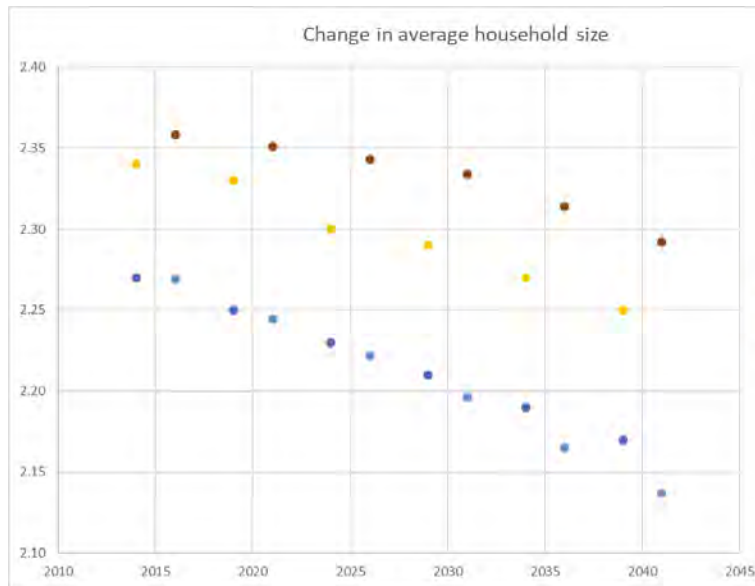
Page 73

HOUSEHOLD PROJECTIONS

Page 74



HOUSEHOLD SIZE



WHAT IS DRIVING HOUSING MARKET?

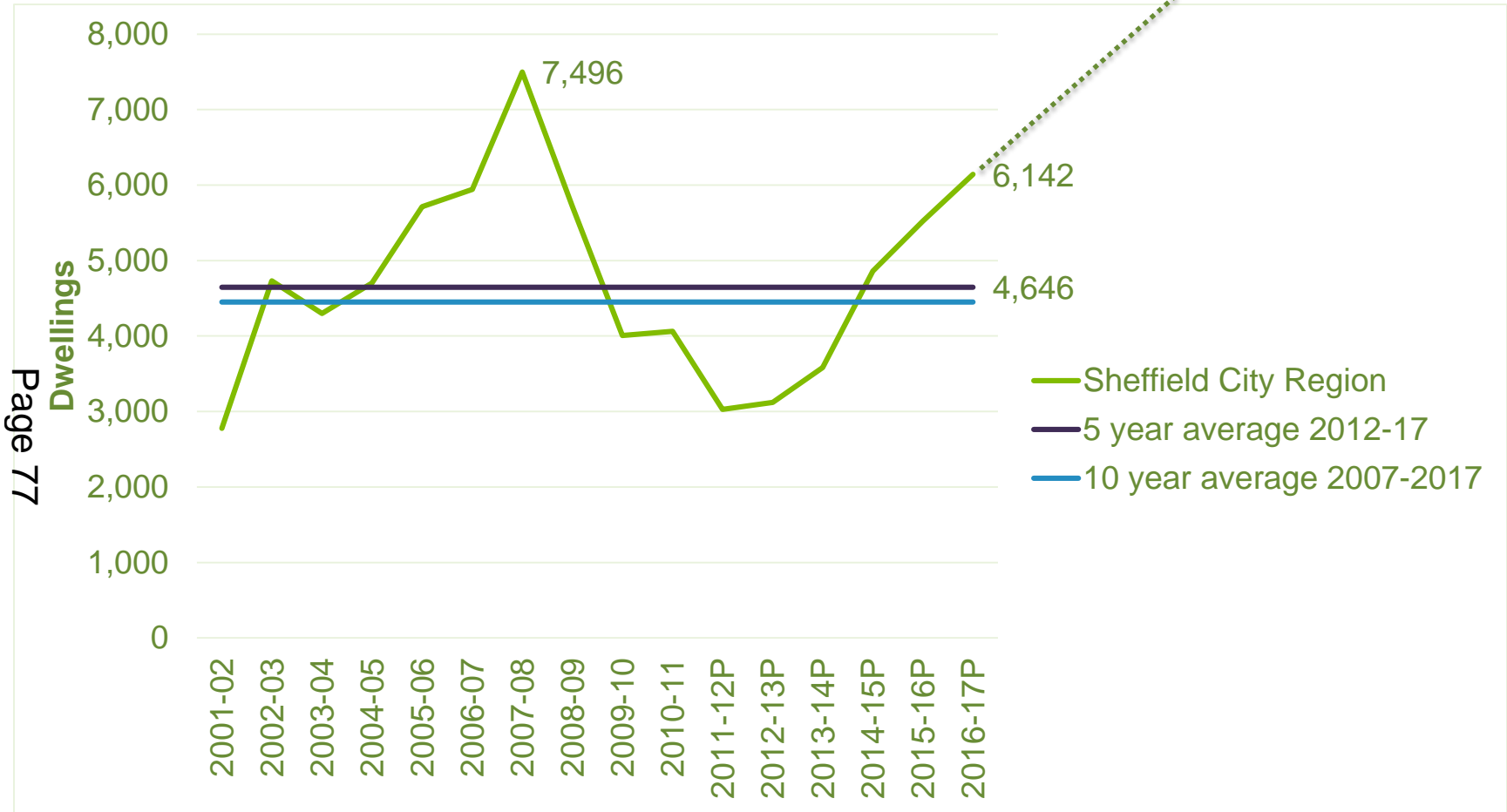
House price growth against GVA and population growths within the SCR.

Source: ONS

District/Area	10-year house price	5-year house price	10-year GVA	5-year GVA growth %	10-year population	10-year jobs growth
SCR	8.87	14.89	20.26	13.1	5.88	5.89
Barnsley	8	15.3	17.93	15.01	7.65	7.69
Doncaster	12.1	18.2	21.08	18.14	4.29	6.67
Rotherham	9.2	11	20.02	16.6	3.62	8.29
Sheffield	15.4	20	13.19	7.13	9.04	3.66
Solsover	13.6	27.5	51.9	25.74	5.75	28
Chesterfield	14	20	34.69	17.63	2.55	6.45
Derbyshire Dales	11.7	24	20.26	12.2	2.72	-5.8
North East Derbs.	21.1	23.5	22.68	10.32	2.75	-1.85
Bassetlaw	13.3	20.8	29.95	14.26	4.49	8.89
England	31.4	26.7			8.25	10.69
Yorks/Humber	15.3	19.2	18.92	13.03	5.54	5.57

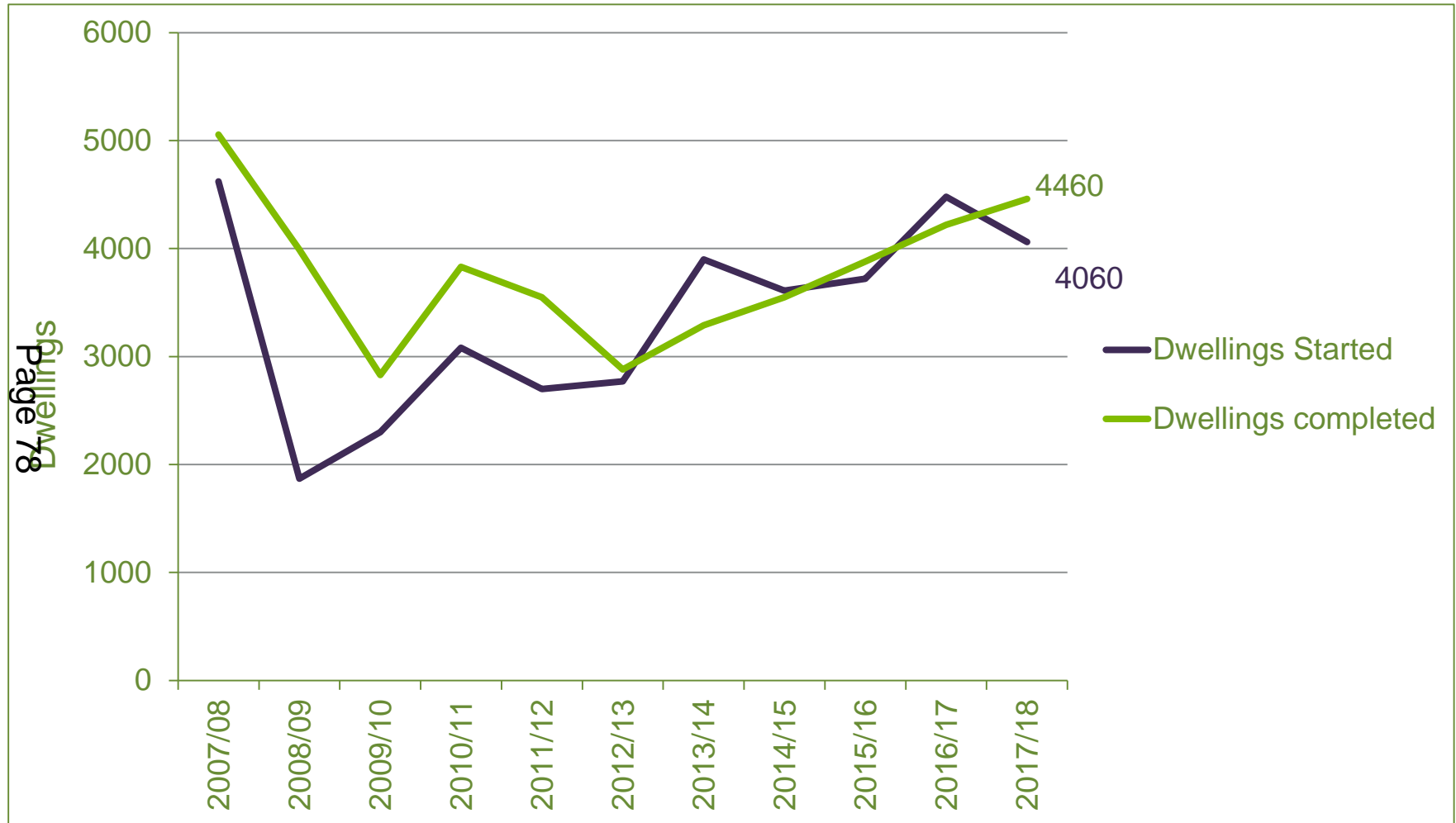
Page 76

NET ADDITIONAL DWELLINGS



Source: MHCLG Live Table 122; Local Authority Housing Flows Reconciliation returns

HOUSING STARTS AND COMPLETIONS



Source: MHCLG Live Table 253; new build dwellings at June Quarter 2018

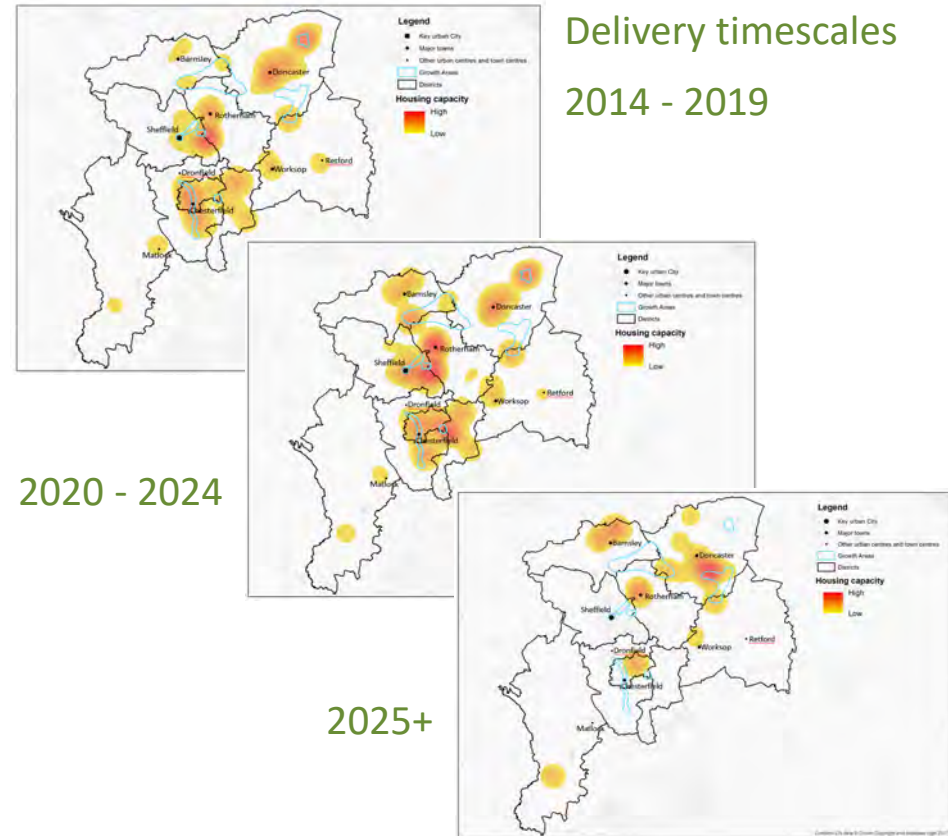
LAND IMMEDIATELY AVAILABLE: HOUSING

Local Authority	Housing Supply with Permission	Source: LPA 5 Year Land Supply Statement, dated...
Barnsley	4,739	August 2017
Doncaster	9,300	August 2017
Rotherham and Sheffield	5,431	During 2017
Bassetlaw	1,267	December 2017
Bolsover	2,098	November 2017
Chesterfield	1,794	April 2017
NE Derbyshire	4,009	May 2018
Derbyshire Dales	2,003	December 2017
SCR Total	30,661	-

PLANNED HOUSING GROWTH

Summary	Units
Number of priority sites	285
Total estimated capacity (units)	67,856
Average site capacity	238
Median site capacity	100
Estimated proportion brownfield	45%

Page 80



HOME OWNERSHIP MARKET

	Entry Level price	Increase in entry level price 2008 - 2018`	Affordability ratio			Deposit required
			Average income	Bottom 25% income	Bottom 20% income	
Barnsley	£107,889	-0.2%	2.8	4.9	5.8	£15,228
Doncaster	£102,357	-4.9%	2.7	4.9	5.6	£14,408
Rotherham	£95,333	-9.8%	2.7	4.8	5.8	£13,903
Sheffield	£120,623	7.3%	3.1	5.7	6.9	£17,398
South Yorkshire	£106,550	-1.7%	2.8	5.1	6.0	£15,234
Bassetlaw	£132,701	3.3%	3.3	5.5	6.8	£17,686
Bolsover	£115,204	8.0%	3.1	5.5	6.5	£15,303
Chesterfield	£113,080	0.2%	3.0	5.1	6.3	£15,928
NE Derbyshire	£128,190	5.2%	3.2	6.4	7.4	£17,991
Derbyshire Dales	£180,515	14.5%	3.9	9.1	12.0	£26,327
City Region	£121,766	3.3%	3.1	5.9	6.8	£17,130

THE RENTAL MARKET

	Market Rents			Affordable Rent		Social Rent	
	Entry level per month	Income needed	% rents at or below Local Housing Allowance	Average per month	Income needed	Average per month	Income needed
Barnsley	£454	£17,434	11.0%	£464	£17,261	£387	£14,403
Doncaster	£461	£17,702	8.4%	£424	£15,773	£364	£13,533
Rotherham	£448	£17,203	15.0%	£418	£15,564	£368	£13,705
Sheffield	£532	£20,429	8.1%	£528	£19,631	£358	£13,331
South Yorkshire	£474	£18,192	8.9%	£459	£17,057	£369	£13,743
Bassetlaw	£464	£17,818	15.1%	£482	£17,945	£386	£14,376
Bolsover	£453	£17,395	10.6%	£399	£14,850	£399	£14,842
Chesterfield	£472	£18,125	6.9%	£444	£16,517	£414	£15,416
NE Derbyshire	£465	£17,856	14.1%	£463	£17,231	£413	£15,362
Derbyshire Dales	£541	£20,774	5.8%	£559	£20,802	£440	£16,380
City Region	£474	£18,219	13.1%	£465	£17,286	£392	£14,594

HOUSING NEEDS & REQUIREMENTS

Local Authority	MHCLG Indicative Assessment of Need (Sept 2017)	Requirement in Adopted/ Emerging Plan*	Under/ over supply	% Difference
Barnsley	898	1,100	202	22%
Bassetlaw	324	435	111	34%
Bolsover	244	272	28	11%
Chesterfield	252	244	-8	-3%
Derbyshire Dales	230	284	54	23%
Doncaster	585	920	335	57%
NEDD	276	330	54	20%
Rotherham	593	850	257	43%
Sheffield	2,093	2,095	2	0%
SCR Total	5,495	6,530	1,035	19%

* At July 2018

TYPES OF HOUSING REQUIRED

Local Authority	Housing Requirement (Local Plan targets)	% market	% Affordable	Annual Affordable housing requirement	% Affordable Rented	% LCHO/ Intermediate
Barnsley	1,100	73	27	295	79	21
Doncaster	920	72	28	255	75	25
Rotherham	850	72	28	237	72	28
Sheffield	2,095	65	35	725	70	30
South Yorkshire	4,965	71	30	1512	74	26
Bassetlaw	435	66	34	646	78	22
Bolsover	272	66	34	419	78	22
Chesterfield	244	66	34	212	78	22
NEDD	330	66	36	482	78	22
Derbyshire Dales	284	60	40	180	75	25
SCR Total	6,530	67	33	3,431	76	24

KEY CONCLUSIONS

- The city region is diverse and mixed tenure with a higher % of home ownership than might be expected.
- House prices vary widely both across the city region and within local authority areas.
- Mortgage payments are generally affordable to those with two incomes above the bottom 20%.
- Deposits to secure mortgages are still hindering first time buyers.
- Market rents are affordable to those with two incomes above bottom 20%.
- Market rents are higher than the Local Housing Allowance causing difficulties for those on full or partial benefit.
- Affordable Rents may not be affordable to those with low household incomes.
- Social rents are affordable to all households but larger properties may not be.

RESPONSE AND DISCUSSION

QUESTIONS TO CONSIDER

- What are the key trends and issues to emerge from our work to date?
- Are there any significant gaps in evidence and how would we address these?
- How do we balance housing growth with concerns for the existing housing stock?
- What new points should the SEP refresh exercise focus on for housing?



Study into affordability of housing in the Sheffield City Region

FINAL REPORT

7th October 2018

Huw Jones, Independent Researcher and Consultant



Contents

Executive Summary	3
1.0 Introduction	12
1.1 Background	12
1.2 Research Aims	15
1.3 Definitions	15
2.0 Economic, social and housing market drivers to housing growth	18
2.1 Economic Drivers	18
2.2 Housing Market Drivers	22
2.3 Social Drivers	26
3.0 Home ownership – Access and Affordability	28
3.1 Levels of home ownership	28
3.2 Average and Entry Level Prices and Trends	30
3.3 Affordability Ratios of entry level and average prices	30
3.4 Affordability of mortgage payments	31
3.5 Affordability of deposits to secure a mortgage	31
3.6 Affordability of newly built housing for sale	32
3.7 Affordability of starter homes	34
3.8 Affordability of Shared Ownership schemes	34
3.9 Summary of findings -home ownership	36
4.0 Rented Housing – Access and Affordability	37
4.1 Levels of renting	37
4.2 Market renting	37
4.3 Social rented housing	40
4.4 Summary of findings – rental market	44
5.0 Summary of social, employment and housing drivers to growth	45
5.1 Social drivers	45
5.2 Employment drivers	46
5.3 Housing supply and demand drivers	46
6.0 Provisions to meet economic, employment growth , housing and social needs	48
6.1 Housing for households with average incomes	48
6.2 Housing for households with low incomes (bottom quartile)	49
6.3 Housing provisions for very low incomes (bottom 20%)	50
6.4 Housing provisions for older people	51
6.5 Housing for young single people and couples	52
7.0 Conclusions	53
Appendices	55

Executive Summary

A AIMS OF THE STUDY

This study aims to assess the potential impacts of housing affordability on the ability of households to access and retain employment, and on incentives to take up jobs or move to jobs with higher skills and higher pay, and on the ability of households to meet their current and future housing /social needs

It also aims to identify potential programmes of provision to address issues of affordability across the city region and in the constituent and non-constituent districts and help meet likely future housing needs

B SOCIAL, ECONOMIC and HOUSING MARKET DRIVERS TO HOUSING GROWTH

B1 Social drivers to housing growth

- a) The proportion of people aged 16 to 25 in the city region and in South Yorkshire, has increased over time and if this trend were to continue it may indicate both an increasing demand for smaller housing for rent and for housing for sale from first-time buyers.
- b) The trends in the numbers of people of family building age and changes in the proportion of families indicate variable future demand for family housing. However, it is likely that there will be a demand from ‘second stagers’ –younger families seeking their second home, and a continuing demand from more mature families seeking to trade up to meet the needs of growing families.
- c) There is likely to be an increasing proportion of older people which will be likely to lead to future pressure on housing aimed at older people and may require a different approach to meeting their housing needs. Many people as they get older will be able to live independently but may require the opportunity to move to a smaller, more affordable home. For the very old, there is likely to be a requirement for specialist housing offering extra care and support to dementia.
- d) There has been a diversification of the population in the city region and in South Yorkshire with a growing Black and Minority Ethnic population which will bring increasing demand for housing and a need for provision to be of an appropriate mix to enable their housing requirements to be met.

B2 Employment drivers

- a) Estimates of future growth in the Sheffield City Region (SCR) predict that there will be just over 23,200 new jobs in the City Region by 2020 and there are plans in the Strategic Economic Plan (SEP) to increase the number of higher skilled and higher paid professional, knowledge based and digital jobs,
- b) Professional, managerial and associate professional and technical occupations are predicted to grow by around 3%% over the coming years. Average salaries for such jobs are upwards of £20,000 – £25,000.

- c) Intermediate occupations are predicted to increase by around 3% over the coming years. Average salaries for such jobs are between £17,000 and £24,000.
- d) Routine and unskilled jobs are also predicted to rise by around 3% over the coming years. Average salaries for such jobs are between £15,000 to £18,000.

B3 Housing market drivers

- a) Across the City Region, The Strategic Housing Market Assessments (SHMAs) prepared by the member local authorities contain from challenges and issues that are common to all
 - Mortgage lending requirements and the burden of saving for the deposit required to secure a mortgage are still holding back demand from first-time buyers and causing disruption to the 'housing chain' in some areas.
 - There are serious concerns across the city region at the shortage of available social rented housing.
 - There are concerns about the impacts of welfare reform, and especially the bedroom tax on the ability to meet needs
- b) In line with national needs and trends. local plans indicate a need for substantial new housebuilding (around 6,500 new homes per year) to cater for household growth and the economic and employment growth envisaged in the city region Strategic Economic Plan. This building needs to provide both aspirational housing that can be attractive to incoming households and lower cost home ownership options to attract first time buyers unto the market.
- c) A substantial increase in provision, in the region of 3,400 new affordable homes per year, appears to be required, in a mixture of social and affordable rent and intermediate housing options. for meeting the housing needs and requirements of households on very low and low incomes,

C AFFORDABILITY AND ACCESS TO HOUSING

C1 Home ownership

- a) 64% of households across the city region and 62% in South Yorkshire are home owners and in 7 of the 9 constituent and non-constituent districts the proportion of homeowners is higher than the average for England. This indicates the strong demand for home ownership.

The average house price in the Sheffield City Region is £231,793 and in South Yorkshire is £190,492 and prices range from £373,831 in Derbyshire Dales to £165,738 in Rotherham. The average entry level house price is £121,786, (£106,550 in South Yorkshire), and ranges from £180,515 in Derbyshire Dales to £95,333 in Rotherham.

- b) Average house prices across the Sheffield City Region increased by 19.9% and by 8.2% in South Yorkshire between 2008 and 2018 and the level of entry level prices increased by 3.3% across the city region but fell by 1.7% in South Yorkshire. The generally-increasing trend in house prices will have an impact on future levels of affordability of housing for sale, especially for first time buyers.

- c) Affordability ratios for entry level prices are 3.1 times income for average earners, 5.9 times a bottom quartile income and 10.8 times a bottom 20% income (2.8, 5.1 and 6.0 respectively in South Yorkshire). The affordability ratio for average prices (for all properties) are 6.4 times an average household income, 11.9 times a bottom quartile household income and 19.1 times a bottom 20% household income. (5.5, 9.9 and 11.7 respectively in South Yorkshire). Affordability ratios vary with the highest ratios in Derbyshire Dales, Bassetlaw, North East Derbyshire, Bolsover and Sheffield, and the lowest are in Barnsley, Doncaster and Rotherham.
- d) Mortgage payments would take no more than 25% of an average household income in all 9 constituent/non-constituent areas. Mortgage payments would be affordable to households with a bottom quartile income except in Derbyshire Dales and North East Derbyshire. The level of mortgage payments will depend on the amount of deposit required by lenders, or that would-be buyers would want to pay. The ability to afford prices for larger properties will depend on purchasers having equity from the sale of another property or a substantial deposit.
- e) A deposit of just over £17,000 would be required across the city region (£15,200 in South Yorkshire) to secure a mortgage for an entry level home. That would take households on an average income 4.7 years to accumulate; households on bottom quartile incomes 8.7 years to accumulate, and households on bottom 20% incomes 12.2 years to accumulate (4.2 years, 7.6 years and 9.0 years respectively in South Yorkshire). It remains likely that this will restrain demand from first-time buyers.
- f) Just over half of advertised new build properties are priced at between £150,000 and £300,000. Households with average incomes across the city region and across South Yorkshire would be able to afford mortgage payments for new build properties priced at up to £275,000. Households with bottom quartile incomes would be able to afford mortgage payments for properties priced at up to £150,000.
- g) Starter Homes would be affordable to households on average incomes and some households on bottom quartile incomes but would not be affordable to households on bottom 20% incomes. The affordability ratio for households with average incomes would be 2.3 times income; for households with bottom quartile incomes would be 4.2 times income and for households on bottom 20% incomes would be 7.8 times income (2.3 times income, 4.2 times income and x.x times income in South Yorkshire).
- h) Shared ownership may be attractive to, and viable for, households on bottom quartile incomes or above. The scheme will also probably be advantageous to households with children and young potential family builders. The viability will depend on the sale price of the properties concerned, the size of the equity stake to be purchased.

C2 Private rented housing

- a) 13% of households across the city region, and 14% across South Yorkshire, rent privately, lower than the regional and national average.

- b) Market rents for entry level properties are affordable to households earning above bottom quartile incomes (taking less than 33% of both average household bottom quartile household incomes) and broadly affordable to households with bottom 20% incomes (taking 33% of income in both) although rents for larger properties and in certain areas would be unaffordable to households on the lowest incomes. Market rents are most affordable in Barnsley, Chesterfield, Doncaster and Rotherham and least affordable in Derbyshire Dales, Sheffield, North-East Derbyshire, Bolsover and Bassetlaw.
- c) There is a considerable difference between market rents and the Local Housing Allowance (LHA) rate set. This is due to the LHA rate being set at the 30th percentile for rents. However, only 13% of advertised lettings across the city region and 9% of lettings across South Yorkshire, are available at rents at the LHA rate or below. This has implications for the ability of households wholly or partially dependent on benefits to afford their housing costs.

C3 Social rented housing

- a) 21% of households across the city region and 22% across South Yorkshire live in social rented housing, higher than the regional and national average.
- b) Social rents are generally affordable to all households but rents for larger properties may be less so. Social rents are most affordable in Barnsley, Sheffield and Doncaster and least affordable in North East Derbyshire; Bolsover, Derbyshire Dales and Bassetlaw.
- c) Affordable Rents for entry level properties are affordable to most households but affordable rents for family size homes may be unaffordable to households on the lowest incomes. Affordable Rents are least affordable in Sheffield, and North East Derbyshire; and most affordable in Rotherham, Doncaster, Chesterfield and Barnsley. Affordable Rents are almost always covered by the Local HA rate and in most cases are less than the LHA rate.

D HOUSING ISSUES RELATING TO ECONOMIC AND HOUSING MARKET DRIVERS

D1 Employment drivers

- a) Housing is generally affordable to households, and sometimes individuals, on average incomes, and to households with more than one below average income.
 - Salaries for professional, managerial and associate professional and technical occupations should be enough to afford mortgage payments and rents for private and social rented housing;
 - Salaries for intermediate occupations may be enough to afford mortgage payments and rental housing costs in most parts of the city region if combined with others in a household income.
 - Salaries for routine and unskilled jobs may be insufficient to afford mortgage payments and a large proportion of rented housing available, but may be enough where in combination in household incomes

- b) There are plans in the Strategic Economic Plan to increase the number of higher skilled and higher paid professional, knowledge based and digital jobs, an intention to attract and retain young graduates and professional workers and a commitment to support lower paid workers.
- An attractive aspirational housing offer is needed to attract and retain people with larger incomes in higher paid jobs, and to enable aspirational movement for those existing residents in higher paid jobs;
 - A better housing offer is needed to help attract and retain young professional workers who often generate ideas, innovate and bring spending power;
 - Attractive and good quality affordable housing that can cater for the needs of people in lower paid intermediate, routine and unskilled occupations who are essential to the effective operation of the city region's economy.
- c) While housing costs are lower than in some surrounding areas and nationally, affordability of housing is becoming an increasing issue, and this along with the burdens of meeting mortgage requirements and the high relative costs of renting, could deter households taking up jobs at below average incomes.
- d) There is a clear intention to encourage social inclusion but if the rented housing supply is insufficient and too highly priced then this may act as a powerful barrier to people moving off benefits to take up low-paid employment and may hinder labour and social mobility for people on low incomes.

D2 Housing supply and demand drivers

- a) There appears to be a relatively healthy balance of tenures across the city region with levels of home ownership that are higher than the national average in 7 of the 9 local authority areas and a good balance of rented housing tenures.
- b) While house prices have risen, and affordability ratios are high across the city region, mortgage payments are largely affordable to average earners and many lower paid households with two earners.
- c) Access to home ownership is still being hindered by mortgage lending requirements and the burden of saving for the deposit required to secure a mortgage.
- d) Mechanisms to assist home ownership (Shared ownership, Help to Buy, Rent to Buy, Starter Homes and housing for discounted sale) are still unaffordable to lower earning households especially those dependent on two incomes, who may also have insecure incomes.
- e) Market rented housing and housing at Affordable Rents (80% market rents) is very often unaffordable, and in some cases even housing managed by Registered Providers and let at social rents may be unaffordable to those on the lowest incomes in work. This may hinder opportunities to take up certain jobs or move jobs, and a danger of compromising aims to help households move from benefit dependency into work, if pay levels are insufficient to afford housing costs.

- f) In line with national needs and trend, the SHMAs from each Local Authority collectively identify a need for substantial new housebuilding (around 6,500 new homes per year) to cater for household growth and the economic and employment growth envisaged in the city region Strategic Economic Plan. This building needs to provide both aspirational housing that can be attractive to incoming households and lower cost home ownership options to attract first time buyers unto the market.
- g) There is a clear shortage of affordable housing for rent across the City Region which has resulted in highly limited options for meeting the housing needs and requirements of households on very low and low incomes. A substantial increase in provision, in the region of 3,400 new affordable homes per year, appears to be required, in a mixture of social and affordable rent and intermediate housing options.

E PROVISIONS TO OVERCOME HOUSING MARKET BARRIERS TO ECONOMIC AND EMPLOYMENT GROWTH AND MEET HOUSING AND SOCIAL NEEDS

E1 Housing for households with average incomes

- a) Households with average incomes seeking work would be seeking housing that is affordable and attractive. Single person households or couples without children seeking employment may be deterred from a perceived lack of attractive housing aimed at their requirements, and comment has been made on the relative lack of 'young urban renters'.
- b) Alternatively, many of those seeking to become homeowners are being deterred by the difficulties in accumulating the deposit required by lenders in order to secure a mortgage.
- c) Many of those living in the city region will be well housed or will meet their requirements and aspirations within the existing housing market. However, other provisions should be considered to ensure that such households do not move elsewhere to meet their requirements due to a lack of an attractive and affordable option within the city region.
- d) New build properties for sale at market prices (see Section 3.6) could be affordable for properties priced at up to £250,000 with a 15% deposit or up to £200,000 with a 10% deposit.
- e) Discounted sale or Starter Homes could provide an option for average earners if priced at £200,000 or below (See section 3.7). Given the relatively lower house price levels in many parts of the city region, a new build home discounted by 20% of market prices would be likely to be affordable to average earners. Again, however, that the ability of average earning households to take up either option will depend in the short to medium term on their ability to accumulate the required deposit
- f) Help to buy schemes (see section 1.4.4.2 a) attached to new housebuilding could help first time buyers to overcome difficulties in accumulating deposits and enable access to home ownership.

- g) Low cost Shared Ownership have not proved to be historically attractive partly due to the perceived complexity of the arrangement and partly due to the combination of ownership and renting. However, could provide an option for average earning households especially in more attractive and higher priced parts of the city region. (See Section 3.8). An equity share of 25% would be affordable for properties priced at up to £300,000; equity share of 50% would be affordable for properties priced at up to £275,000, and an equity share of 75% would be affordable for properties priced up to £225,000.
- h) Rent to buy provisions (See section 1.4.4.2 b) could also offer an option to enable households on average incomes to take up home ownership, especially given the affordability of market rent levels to average earners. It could be attractive to households with incomes at the bottom of the scale of average incomes who may need time to accumulate a deposit.
- i) Housing at intermediate rents / Affordable Rents (between social and market rents) would be affordable to households on average incomes (See Section 4.2.3) and may be attractive especially in areas with higher market rents. Such housing may be a viable option (provided schemes built were of good design and well-located) in Sheffield City Centre and other town centres and could be aimed at younger professional households on average incomes. Such housing could be provided by way of 'Build to rent' provisions, as well as by Registered Providers. In addition, such provision by Registered Providers could provide an income stream that could cross-subsidise additional social rented and supported housing provisions.

E2 Housing for 'households on low incomes (bottom quartile)

- a) Households with bottom quartile incomes seeking work would also be seeking housing that is affordable and attractive. Low income families low income single people and couples without children seeking employment may be deterred by a perceived lack of available and affordable housing aimed at their requirements, and those seeking to become homeowners may be deterred by the difficulties in accumulating the deposit required by lenders in order to secure a mortgage, or may be unable to afford mortgage payments in some higher priced parts of the city region.
- b) Again, many of those households on low incomes currently living in the city region will be well housed or will meet their requirements and aspirations within the existing housing market. However, other provisions should be considered to ensure that such households do not move elsewhere to meet their requirements due to a lack of an attractive and affordable option within the city region.
- c) New build properties for sale at market prices (see Section 3.6) could be affordable for properties priced at up to £150,000 with a 15% deposit or up to £125,000 with a 10% deposit.
- d) Discounted sale or Starter Homes could provide an option for average earners if priced at between £75,000 and £100,000 (See section 3.7). Given the relatively lower house price levels in many parts of the city region, a new build home discounted by 20% of market prices could be affordable to bottom quartile earners. Again, however, that the ability of such households to take up either option will depend in the short to medium term on their ability to accumulate the required deposit and their ability to afford mortgage payments

- e) Help to buy schemes (see section 1.4.4.2 a) attached to new housebuilding could help first time buyers to overcome difficulties in accumulating deposits and enable access to home ownership.
- f) Low cost Shared Ownership could provide a viable option for households on bottom quartile incomes in many parts of the city region, but again, especially in the higher priced areas. An equity share of 25% would be affordable for properties priced at up to £300,000; an equity share of 50% would be affordable for properties priced at up to £175,000, but an equity share of 75% would not be affordable currently.
- g) Rent to buy provisions (See section 1.4.4.2 b) could again offer an option to enable households on bottom quartile incomes to take up home ownership, especially given the relative affordability of market and Affordable Rent levels to households on bottom quartile incomes, and would give such households time to accumulate a deposit
- h) Housing at intermediate rents / Affordable Rents (between social and market rents) would be affordable to households on bottom quartile incomes (See Section 4.2.3) and may be attractive especially in areas with higher market rents. Such housing may be a viable option (provided schemes built were of good design and well-located) in Sheffield City Centre and other town centres and could be aimed at younger city and town centre workers in intermediate occupations on below average incomes. Such housing could be provided by way of 'Build to rent' provisions, as well as by Registered Providers.
- i) Social rented housing would be affordable to households on bottom quartile incomes and would provide the most sustainable tenure for such households, many of whom may have incomes that are not fully secure.

E3 Housing provisions households with very low incomes

- a) Households on very low incomes may have difficulties in maintaining work if income while in work is insufficient to properly afford housing costs as well as other essential expenditure. For households reliant on benefits, options are limited. Market rented housing is often unaffordable as the difference between Local Housing Allowance (LHA) rates and average market rents is considerable especially to benefit claimants. Additionally, once benefit claimants move into work, they would most likely to be in an occupation with an income insufficient to properly afford housing costs without compromising other areas of spending (utility bills, internet connection, food and clothing and travel).
- b) Social rented housing would provide the most viable form of housing provision even though in some parts of the city region rents take up a % of income higher than the 'affordability benchmark' and availability is limited as social housing is in very high demand. Receipt of partial housing benefit may help affordability but continuation of such assistance after rollout of Universal Credit is unclear.
- c) intermediate rent and Rent to Buy may be affordable at the higher end of bottom 20% income range and may offer options if higher paid work were to be gained.
- d) Taking up the Right to Buy may offer options for existing council tenants if the discount were large enough and mortgage payments, given current mortgage rates, may be in line with at least Affordable Rent levels.

E4 Older people

- a) The increasing numbers and proportions of older people look set to continue which will create a much larger aging population and future pressure on housing aimed at older people. As many as three-quarters of households are living in housing too large for their needs, but can live independently and may be seeking to downsize into smaller housing. The increasing numbers of people over 85 will include many who are likely to need housing with extra care and support. It is likely that a different approach to meeting their housing need may be required involving a mixture of home purchase, shared ownership, retirement housing of mixed tenure and specialist housing.
- b) Buying a smaller new build property including those offered on a Shared Ownership basis may be attractive. Alternatively, retirement housing with a mixture of tenures could also provide an attractive option.
- c) Buying somewhere smaller in the existing housing market, may provide an option although there may be questions over the availability of suitable smaller housing.
- d) Selling up and moving to sheltered housing may provide an option to some, although if at market rents would probably be higher than their current mortgage payments, and the provision would need to be of a type and quality avoiding any danger of appearing to be 'institutional'
- e) Extra Care housing may be required to meet the needs of the very old especially needs arising from dementia.

E4 Young single people and couples

- a) There has been an increase in the proportion of people aged 16 to 25 which looks likely to continue. Many younger households however, have been experiencing difficulties in meeting their housing needs and preferences. There would appear to be a relatively low numbers of young professional households living and remaining in the city region. Also, prospective first-time buyers are finding it difficult to access home ownership without access to financial support from family. There is a lack of affordable options for young people on low or very low incomes as the supply and availability of social rented housing is limited, and market rents are often unaffordable.
- b) Help to buy schemes and Low-cost Shared Ownership, could help young households wanting to become homeowners especially in the higher priced areas. (See above). Rent to buy provisions could be attractive to younger couples or families on lower incomes..
- c) Intermediate Housing at Affordable Rents may be affordable to younger people on low to average incomes and may be attractive in areas with higher market rents, in Sheffield City Centre and other town centres. Such housing could be provided by way of 'Build to rent' provisions, as well as by Registered Providers.
- d) Social rented housing would provide affordable rented housing especially to younger people on low incomes.

1.0 Introduction

1.1 Background

1.1.1 Locations and geographical overview

1.1.1.1 The Sheffield City Region comprises a core city, towns and market towns, and a significant rural economy. It contains approximately 1.9 million people, living in approximately 800,000 households in nine (9) local authority districts.¹

- a) **Barnsley** has a population of approximately 243,300 living in approximately 108,000 households. It is bisected by the M1 motorway and is rural to the west, and largely urban/industrial to the east. The Barnsley district includes Barnsley itself and the settlements of Cudworth, Dodworth, Kendray, Monk Bretton, and Worsbrough;
- b) **Doncaster** has a population of approximately 308,900 living in approximately 130,000 households. The Doncaster district includes Doncaster and neighbouring settlements of Adwick le Street, Bentley with Arksey, Conisbrough and Mexborough;
- c) **Rotherham** has a population of approximately 263,400 living in approximately 111,000 households. The district includes Rotherham itself and the outlying towns of Maltby, Rawmarsh, Swinton and Wath-upon-Deare;
- d) **Sheffield** is the core city of the Sheffield City Region and it has a metropolitan population of approximately 577,800 living in approximately 241,000 households;

The South Yorkshire local authority areas contain a population of approximately 1.4 million people living in approximately 590,000 households.

- e) **Bassetlaw** has a population of approximately 116,300 living in approximately 50,000 households. It contains the two main settlements of Worksop and Retford
- f) **Bolsover** has a population of approximately 79,100 living in approximately 35,000 households. Its main settlements are Bolsover, Shirebrook, South Normanton, Clowne, Creswell, Pinxton Whitwel, Tibshelf and Barlborough;
- g) **Chesterfield** has a population of approximately 104,600 living in approximately 48,000 households and includes the settlements of Whittington, Brimington and Staveley;
- h) **North East Derbyshire** has a population of approximately 100,800 living in approximately 45,000 households. Its main settlements are Clay Cross, Dronfield, Eckington and Killamarsh;
- i) **Derbyshire Dales** has a population of approximately 71,100 living in approximately 32,000 households. Its main settlements are Matlock, Bakewell, Ashbourne, Darley Dale and Wirksworth.

The five local authority areas in the Sheffield City Region located outside of South Yorkshire contain approximately 472,600 people living in approximately 210,000 households.

¹ Population figures drawn from the ONS Annual Population Survey 2017: Household figures from ONS Household projection estimates for 2018 - Table 406

1.1.2 *Sheffield City Region Combined Authority*

1.1.2.1 The Sheffield City Region Combined Authority was established in 2014 and brought together the four 'constituent' South Yorkshire authorities (Sheffield, Barnsley, Rotherham and Doncaster) with Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales and North East Derbyshire as 'non-constituent' members. It is led by the nine council leaders.

1.1.2.2 The Sheffield City Region comprises the Mayoral Combined Authority (MCA), the Local Enterprise Partnership (LEP) and the SCR Executive Team.

1.1.3 *The Mayor*

1.1.3.1 Sheffield City Region elected a mayor for the first time in May 2018. The Mayor was elected by voters from the districts of Barnsley, Doncaster, Rotherham and Sheffield. The Mayor is a member, and chair, of the Sheffield City Region Mayoral Combined Authority. The Mayor works with the leaders of the constituent and non-constituent authorities of the Sheffield City Region Mayoral Combined Authority, the Local Enterprise Partnership, central government and other organisations in pursuing shared goals to deliver the area's economic development, regeneration and transport priorities that will drive the growth of the economy. Further powers and resources may be devolved to the Mayor and the Mayoral Combined Authority if agreement can be reached in the future.

1.1.4 *Sheffield City Region Combined Authority Devolution Deal*

1.1.4.1 This consists of an agreement between Government and the leaders of the Sheffield City Region to devolve a range of powers and responsibilities to the Sheffield City Region Combined Authority and a new directly elected mayor. It built upon the City Deal, agreed in 2012, the Growth Deals, agreed in July 2014 and January 2015 and initial Devolution Agreement, agreed in December 2014. Under the agreement, certain powers relating to strategic planning and housing provisions are devolved to the Sheffield City Region Combined Authority and the Mayor.

1.1.4.2 Discussions will continue with the Government on further devolution of funding and other powers relating to housing provision.

1.1.5 *Sheffield City Region Strategic Economic Plan*

1.1.5.1 The City Region Strategic Economic Plan (SEP) aims to use industrial expertise in new ways, to narrow the economic gap over the next 10 years through the creation of 70,000 jobs, an increase in Gross Value Added (GVA) by 10% (or £3bn) and the creation 6,000 additional businesses beyond baseline growth rates. The aim will be to change the balance of the economy towards an expanded knowledge and professional service basis with less reliance on traditional industries.

1.1.5.2 At the core of the plan is the encouragement of a stronger, larger private through stimulating more start-ups, helping to grow indigenous firms, and attracting in new firms. At the centre of the plan is a Growth Hub - a collective endeavour which will focus on creating 'Growth Deals' with those firms that will deliver high growth and exports, which will provide the greatest impact on economic growth.

1.1.5.3 The plan contains a housing development strategy co-designed and managed by the Homes and Community Agency, which aims to make best use of the national programme to tackle housing market weaknesses and create the right infrastructure that businesses need to thrive. This will be built upon the development of a long-term integrated infrastructure investment plan, providing a holistic approach to future funding

1.1.6 **Sheffield City Region Housing Compact**

1.1.6.1 The Sheffield City Region has developed a Housing Compact which states a commitment to “local authorities, ALMOs and housing associations across the Sheffield City Region working collaboratively to ensure the delivery of high quality homes that are affordable to all, including the most vulnerable in society, and that these homes are located in balanced, sustainable communities”.

1.1.6.2 The development of the housing compact and the aim of the Sheffield City Region to create More New Homes is set against a changing, and in many ways problematic housing market context and changing national policy on housing:

- a) Increasing prices and constrained lending policies have meant that access to housing has been difficult for everyone from first time buyers to those on average incomes, not least the current practice of lenders seeking significantly larger deposits before granting mortgages, currently an average of around 15 – 20% of property value.
- b) There has been a dislocation between employment patterns and housing provisions, typified by the situation where many jobs created, nationally and locally, have tended to be less permanent than in the past, with more limited term, or even ‘zero-hour’ contracts forming the basis for employment. This has provided a barrier for many first time buyers seeking their first mortgage, as lenders are cautious about lending to people not in permanent full time employment. In addition, incomes from work have not been rising at a rate to cover increases in housing costs leading to clear affordability issues.
- c) Demand for rented housing has become, and is likely to continue to be very strong especially from younger individuals and couples and it will be important for there to be a steady supply of good quality rented housing at a range of rents to meet rising demand. The housing offer for young people has not been good enough to retain the graduates from its universities to boost its skills base and provide labour supply for the high skills industries aimed for in the Strategic Economic Plan
- d) Homelessness, and rough sleeping, has been increasing to levels that are at their highest for some time.
- e) There has been an increasing need to consider how best to provide housing for people as they get older. ‘Traditional’ models of sheltered housing are becoming increasingly unpopular while many people who are aging are increasingly capable of living independently for much longer. Development of a range of options mixing housing and care provision are needed.

- f) With Brexit dominating the political agenda and the Governmental system, it is difficult to judge the future trajectory of national housing policy. Both main parties have been pledging to increase the supply of housing, but currently supply is still sluggish. The Government's recent Green Paper appears to acknowledge the need for a better approach to social housing provision, but have promised little in the way of financial support to achieving that. Meanwhile, the Labour Party are promising a large increase in social (especially council) housebuilding. Both parties have indicated a commitment to reducing or even 'ending homelessness'.

1.1.6.3 The Sheffield City Region Housing Compact aims to work within the context of changing Government policy and changing housing market conditions. It has "a focus on expanding the supply of new housing, supporting and investing in existing stock, understanding the products and services we need to deliver, ensuring vulnerable people can continue to access good quality affordable housing, and ensuring a range of low-cost home ownership solutions are available across the region". It also states a commitment to ensuring that "affordable housing policies adequately reflect housing need and are flexible to take account of the changing products available" and to "make the economic case for new social rented housing and ensure sufficient social housing continues to be available to meet need.

1.2 Research aims

- 1.2.1 To identify the various types of affordable housing
- 1.2.2 To identify working definitions of 'affordability' of housing
- 1.2.3 To identify the affordability for entry level and average house prices for different property sizes across the nine local authority areas, through
 - a) Affordability ratios for households with average, bottom quartile and bottom 20% incomes
 - b) Income needed to afford entry level and average house prices and comparison to average, bottom quartile and bottom 20% incomes
 - c) Levels of deposit and the average time needed to accumulate) to households with average, bottom quartile and bottom 20% incomes
- 1.2.4 To identify the levels of market, affordable and social rent (for self-contained and shared rented housing) across the nine local authority areas and their affordability (proportions of income taken) to households with average, bottom quartile and bottom 20% incomes
- 1.2.5 To assess the potential impacts of affordability on the ability of households to access and retain employment, and on incentives to take up jobs or move to jobs with higher skills and higher pay.
- 1.2.6 To assess the potential impacts of affordability on the ability of households to meet their current and future housing /social needs
- 1.2.7 To identify potential programmes of provision to address issues of affordability across the city region and in the constituent and non-constituent districts and help meet likely future housing needs

1.3 Definitions

1.3.1 Affordability'

- a) Household income can be considered enough afford to buy a home if the price of the property is less than or equal to 3.5 times the gross household income for a single earner household, or 3.1 times the gross household income for dual income households (*Based on CLG's definition of affordability 2007*)
- b) A rental or mortgage payment is considered affordable where it takes between 33% and 45% of gross household income (taken as being 1.5 full time incomes) (*Based on HCA affordability calculator for intermediate housing*)

1.3.2 Affordability Ratios

These are calculated from a comparison of average prices and entry level prices divided by household income (see below)

1.3.3 Household income

This has been defined as being one and a half (1.5) times the average, bottom quartile and bottom 20% single incomes for each local authority areas reported in the ONS Annual Survey of Hours and Earnings (ASHE). (See Appendix A2)

1.3.4 Housing numbers

1.3.4.1 There are three sources of housing figures which are frequently referred to in discussions about housing need:

1.3.4.2 *Local Plan Targets* which are drawn from local assessments of need, to establish what local authorities are planning to deliver

1.3.4.3 *Standardised Objectively Assessed Housing Needs (SOAN) figures* which are provided by central Government and represent the minimum number of homes the Government considers should be provided.

1.3.4.4 *Housing targets linked to economic growth*, such as those identified in the Sheffield City Region Strategic Economic Plan. These are aspirational figures, linked to projected economic growth.

1.3.5 Types of affordable housing

1.3.5.1 *Housing Affordable 'in perpetuity'*

The following are considered 'affordable housing in perpetuity' and will accordingly remain as affordable housing throughout an agreed period.

- a) Social rented housing is owned by local authorities and private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime. It may also be owned by other persons and provided under equivalent rental arrangements to the above, as agreed with the local authority or with the Homes and Communities Agency.²

² Ministry of Housing, Communities and Local Government: Definitions of general housing terms 2012

- b) Affordable rented housing is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80 per cent of the local market rent (including service charges, where applicable).³
- c) Intermediate housing for rent is provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. Intermediate housing for sale includes shared equity (shared ownership and equity loans), other low-cost homes for sale. Shared ownership will be 'affordable' at the point of provision and may well remain as affordable housing for some considerable time. However, if 'staircasing' is allowed /applied to the shared ownership provision, then this could, inevitably remove the shared ownership home from the stock of affordable housing.⁴

1.3.5.2 Housing affordable at the point of sale

Other housing can be developed with the aim of being affordable to those unable to afford market housing costs/prices but may not remain as affordable housing in perpetuity.

- a) The Help to Buy: Equity Loan, is a loan from the Government of up to 20% of the cost of a newly built home, so that a 5% cash deposit only is required and a 75% mortgage to make up the rest. The Help to Buy: Shared Ownership scheme offers households with under £80,000 the chance to buy a share of a newly built home or an existing one (through resale programmes from housing associations) of between 25% and 75% of the home's value and pay rent on the remaining share. Bigger shares can be purchased later.
- b) The Rent to Buy scheme was announced in 2014 as a means of providing more flexibility for people who want to rent affordably, save for a deposit, and then either buy the new home (or a different home) later. Under the scheme, landlords had to make new build homes available for rent at below-market rates for a minimum of 7 years, which will give tenants the opportunity to save up for a deposit and get ready to buy their own home. At the end of the period, the tenant will have first refusal to buy the property – alternatively they may choose to move out and buy a different property or rent another property either privately or with the housing association. If the home is sold, the housing association would then have the option to use any returns on their investment to build even more affordable homes in the area. The scheme was ended in 2016 but remains as a potential option for providing access to home ownership.⁵
- c) Starter Homes were proposed in the Housing and Planning act 2016 to help to meet the housing needs of young first-time buyers, many of whom increasingly cannot afford to buy their own home, by allowing Starter Homes to be offered to them at below their open market value. Under the initiative, Starter Homes should be offered for sale at a minimum of 20% below its open market value of the property, and no more than £250,000 outside London. The starter homes legislative provisions are not yet in force.⁶

³ As above

⁴ As above

⁵ Ministry of Housing, Communities and Local Government: Press Release 2014

⁶ Starter Homes for first time buyers: House of Commons Library: May 2018

- d) Homes for Discounted Sale are built by some councils and housing associations for sale at a 25%-50% discount. Upon resale the original discount is passed on to the next person. “Low cost market” housing, may not be considered as affordable housing for planning purposes.⁷
- e) Homes sold under Right to Buy/Right to Acquire provide affordable home ownership options for social housing tenants as they are sold on the basis of a discount reflective of the number of years tenancy.

1.3.5.3 Other forms of housing to meet affordability and access needs

- a) Although shared rented housing has been mainly taken up by students, increasingly it has been used, especially by younger single working people to reduce housing costs and enable access to a rented home.
- b) Retirement housing can be developed that aims to meet the changing needs of people as they get older. Sheltered or extra care housing could be provided at social or affordable rents and would be classified as affordable housing as a result. Other housing could be developed for intermediate rent or discounted sale and aimed at retired people to enable them to downsize and free up properties for others.

⁷ National Planning Policy Framework: Ministry of Housing, Communities and Local Government: 2012

2.0 Economic, social and housing market drivers to housing growth in Sheffield City Region

2.1 Economic drivers

2.1.1 Overview

2.1.1.1 The City Region encompasses approximately 1.9 million people and approximately 700,000 jobs. The city region's economy is still recovering from decades of industrial job losses, and although it grew from the mid-1990s until 2008 like other city regions, the private sector did not, as industrial sector losses offset growth in services and other sectors.⁸

2.1.1.2 However, employment is steadily increasing in the Sheffield City Region. Unemployment fell to 6.4% in 2016 and there are 0.7 jobs per person of working age within the region. Self-employment is steadily increasing, but not as fast as the rest of the UK. The reported level of young people Not in Education, Employment or Training (NEET) is steadily decreasing. Meanwhile, the low wage economy in many of parts of the City Region, particularly the rural areas, impacts upon productivity levels.

2.1.1.3 The SCR currently has a shortfall of around 65,000 private service sector jobs, when compared with the employment density in other LEP areas. Of the shortfall, over 60% need to be in activities not dependent upon local expenditure – business, professional and financial services (and support) and creative and digital services. Furthermore, the SCR has a shortfall of 30,000 jobs in the number of highly skilled occupations relative to the size of the employment base; and the low wage economy in many of parts of the City Region, particularly the rural areas, impacts upon productivity levels.

2.1.2 Past employment trends

2.1.2.1 Analysis of changes in growth in the various economic sectors between 2010 and 2015⁹ shows some key differences:

2.1.2.2 The largest growth across the whole region between 2010 and 2015 was in the more knowledge intensive sectors such as financial and business services was in these sectors, despite there being a relatively lower proportion of jobs. The Health and Social care sector also appreciably grew, although most of the growth took place in Sheffield.

2.1.2.3 There was a large decline in the public administration and defence sector across all districts in the region, which is most likely due to governmental budget cuts. There was also significant shrinkage across many sectors, except for leisure, tourism and sport in Derbyshire Dales and North-East Derbyshire.

2.1.2.4 In terms of jobs, table 1 below shows the recorded changes in the number of jobs within each employment group between 2010 and 2015.

⁸ Sheffield City Region: Strategic Economic Plan: A focused 10 Year Plan for Private Sector Growth 2015 – 2025

⁹ Labour Market Information: Sheffield City Region Combined Authority 2016

Table 1 Changes in employment 2010 – 2015

	Recorded change 2010 - 2015
1. Managers, directors and senior officials	3.6%
2. Professional occupations	2.9%
3. Associate professional and technical occupations	1.5%
4. Administrative and secretarial occupations	-1.8%
5. Skilled trades occupations	6.5%
6. Caring, leisure and other service occupations	5.1%
7. Sales and customer service occupations	3.5%
8. Process, plant and machine operatives	0.2%
9. Elementary occupations	8.5%

(Source: Labour Market Information: Sheffield City Region Combined Authority 2016)

- Professional, managerial and associate professional and technical occupations grew by between 2.9%, 3.6% and 1.5% respectively.
- Intermediate occupations grew by 6.5% (skilled trades), 5.1% (Caring, leisure and other services) and 3.5% (sales and customer services) but the number of administrative and secretarial jobs reduced by 1.8%.
- Routine and unskilled jobs increased with elementary occupations growing by 8.5% but process, plant and machine jobs only by 0.2%.

2.1.3 Current types of Occupation

2.1.3.1 The balance of the types of occupation held by economically active individuals in the City Region differs significantly from the average for England and Wales. Analysis of 2011 Census data shows there to be significantly fewer working people in professional or managerial occupations, a similar but slightly larger proportion of people in intermediate occupations and a significantly higher proportion of people working in routine or unskilled occupations. Table 2 below shows that

Table 2 Occupations

	Managerial and Professional	Intermediate	Unskilled/ Routine
Barnsley	35.4%	43.3%	21.3%
Doncaster	34.8%	40.1%	25.1%
Rotherham	33.7%	43.2%	23.1%
Sheffield	47.8%	34.0%	18.2%
South Yorkshire Average	40.2%	38.7%	21.1%
Bassetlaw	31.9%	43.9%	24.2%
Bolsover	30.4%	42.7%	26.9%
Chesterfield	41.7%	47.6%	10.7%
North East Derbyshire	41.1%	39.6%	19.3%
Derbyshire Dales	60.6%	28.4%	11.0%
City Region Average	40.2%	39.3%	20.5%
National Average	45.9%	37.1%	17.0%

(Source: ONS Annual Population Survey 2017)

2.1.3.2 Currently, across the city region, 40% of economically active individuals work in managerial or professional occupations, compared to 46% nationally. The proportions of people in such occupations varies with a significantly higher proportion than the national average in Derbyshire Dales and a slightly higher proportion than the national average in Sheffield, while the proportion in all other districts are below the national average. Salaries for such jobs are likely to be upwards of £20,000 – £25,000. There is some evidence that “young urban renters”, who often generate ideas and bring spending power, appear to be in short supply and concentrated around a small part of Sheffield centre and in some areas of Doncaster and Chesterfield in proximity of the rail stations. It is viewed as being desirable to attract and/or retain (post-university) more of these people in the city region. ¹⁰

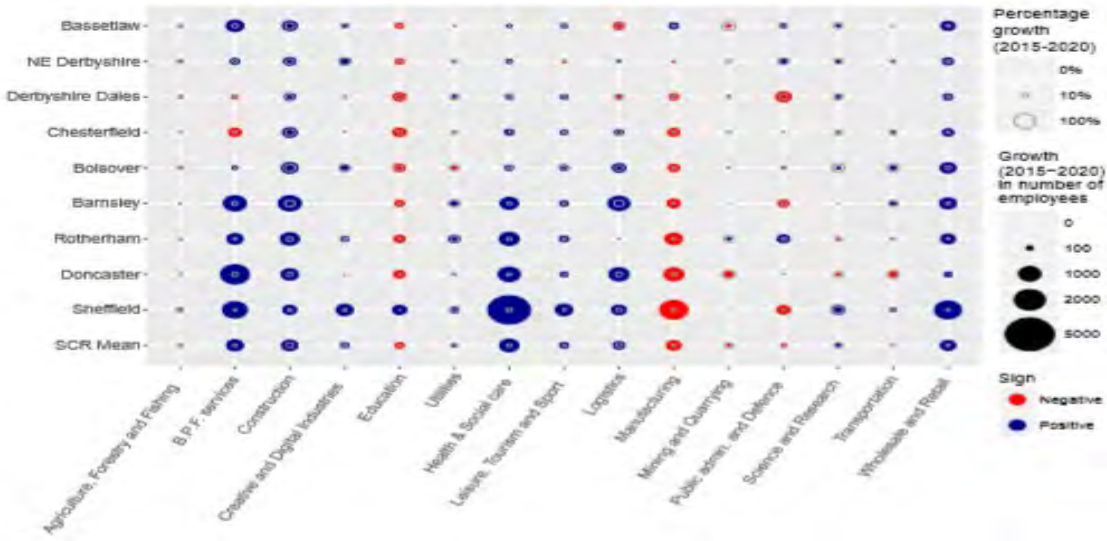
2.1.3.3 Across the city region 39% of economically active individuals are in Intermediate occupation (administrative and secretarial; skilled trades; caring, leisure and other services, and sales and customer services), compared to 37% nationally. The proportions of people in such occupations varies, with a lower proportion than the national average in Derbyshire Dales and Sheffield; a proportion close to the national average in North East Derbyshire and Doncaster, and a higher proportion than the national average in all other districts. Salaries for such jobs are likely to be between £17,000 and £24,000

2.1.3.4 Across the city region 21% of economically active individuals are in routine or unskilled occupations, compared to 17% nationally. The proportions of people in such occupations varies with a lower proportion than the national average in Derbyshire Dales and Chesterfield; a proportion close to the national average in North East Derbyshire and Sheffield, and a higher proportion than the national average in all other districts higher. Salaries for such jobs are likely to be £15,000 to £18,000. (See Appendix A1)

2.1.4 *Future employment growth*

2.1.4.1 Estimates of future growth in the SCR predict that there will be just over 23,000 new jobs in the City Region by 2020.

Figure 2 Future job growth in the Sheffield City Region



(Source: Labour Market Information: Sheffield City Region Combined Authority 2016)

¹⁰ Sheffield City Region Economic and spatial data analysis March 2017

2.1.4.2 Figure 2 above shows that across the city region, the sectors which are expected to grow include business, professional & financial services, construction, health and social care, leisure and tourism, logistics and wholesale and retail.

- a) In Sheffield, the highest growth is predicted in the health and social care, business, professional and financial, retail, creative and digital, construction, education and science and research sectors accompanied by some contraction in the manufacturing, and public sectors
- b) In Rotherham, the highest growth is predicted in the, health and social care, business, professional and financial, construction, and retail sectors accompanied by some contraction in the manufacturing, and education sectors.
- c) In Barnsley, growth is predicted in the business, professional and financial, construction, logistics, health and social care, and retail sectors accompanied by some contraction in the manufacturing, public services and education sectors.
- d) In Doncaster, the highest growth is predicted in the business, professional and financial, construction, health and social care, logistics and construction sectors accompanied by some contraction in the manufacturing, public service and education sectors.
- e) In Bassetlaw, growth is predicted in the business, professional and financial, construction and retail sectors accompanied by some contraction in the logistics and education sectors
- f) In Chesterfield, growth is predicted in the construction and retail sectors accompanied by contraction in the education, business, professional and financial and manufacturing.
- g) In Bolsover, growth is predicted in the construction, logistics retail and creative and digital sectors accompanied by contraction in the education, and manufacturing sectors
- h) In North East Derbyshire the highest growth is predicted in the business, professional and financial services, creative and digital and retail sectors accompanied by some contraction in the education and manufacturing sector
- i) In Derbyshire Dales some growth is predicted in the construction, health and social care, leisure and tourism and retail sectors, accompanied by contractions in the education and public service sectors.

Table 3 Predicted change in employment 2015 - 2020

	Predicted change 2015 - 2020
1. Managers, directors and senior officials	3.2%
2. Professional occupations	2.7%
3. Associate professional and technical occupations	2.9%
4. Administrative and secretarial occupations	2.2%
5. Skilled trades occupations	2.4%
6. Caring, leisure and other service occupations	3.4%
7. Sales and customer service occupations	2.7%
8. Process, plant and machine operatives	2.1%
9. Elementary occupations	3.9%

(Source: Labour Market Information: Sheffield City Region Combined Authority 2016)

2.1.4.3 Table 3 above shows predicted trends in the various occupational groups across the City Region for 2015 to 2020

- a) Professional, managerial and associate professional and technical occupations are predicted to grow by between 2.7%, 3.2% and 2.9% respectively.
- b) Intermediate occupations are predicted to increase by between 2.4% (skilled trades) and 3.4% (caring, leisure and other service occupations)
- c) Routine and unskilled jobs are also predicted to rise with elementary occupations growing by 3.9% (following the large increase 8.5% between 2010 and 2015) and process, plant and machine jobs by 2.1%

2.1.4.4 In terms of the skills requirements of the jobs likely to be created, it has been predicted that skills requirements will be focussed around NVQ levels 1-3 and degree level qualifications, with a gap in between, with lower demand for skills levels at Level 4-5.

2.2 Housing market drivers to housing growth in Sheffield City Region

2.2.1 The Strategic Housing Market Assessments for all districts refer to the affordability pressures evident within their local housing markets. Across the city region, a need has been defined for significant housing growth to meet needs, requirements and aspirations. There is a commonly defined need for more smaller homes (2 bedroom in particular) to meet the needs of starter households and older households wanting or needing to 'downsize', as well as for more family size homes to meet the changing needs, requirements and aspirations. The SHMAs suggest that savings are problematic for younger households and that of non-home owners just 15% have savings of more than £5,000.

2.2.2 **In Barnsley** the SHMA notes that there are a range of housing market issues and policy drivers that will impact on the need for new housing over the coming year:

- a) There is a need to continue development to satisfy household aspirations, the development of detached and semi-detached houses and a range of property sizes to offset identified market imbalances;
- b) There is likely to be a need to develop an increasing range of housing and support products for older people; additional affordable housing to help offset identified net shortfalls;
- c) There is a case for diversifying the range of affordable housing options by developing intermediate tenure dwellings and products.
- d) The SHMA identifies the potential for delivery of up to 1,037 dwellings each year, which would be broadly enough to address the local plan target of 1,100 without having to increase provision using green belt land.
- e) It notes that most new homes needed in Barnsley are two (31%) or three (51%) bedroom homes, but a significant minority of households in need aspire to having or need a home with 4 bedrooms or more. 80% of newly forming households would prefer a house or bungalow and 20% a flat. It assesses that there is a need for 295 affordable homes each year, of which 78.8% should be affordable (social) rented and 21.2% intermediate tenure.¹¹

¹¹ (Barnsley Metropolitan Borough Council 2014 Strategic Housing Market Assessment Update: Final Report for Barnsley MBC November 2014 Arc 4)

- 2.2.3 In **Rotherham**, the SHMA notes that there are a range of housing market issues and policy drivers that will impact on the need for new housing over the coming years.
- a) Although there has been some recovery lately, the market in Rotherham remains relatively depressed, and low development values remain a challenge for the viability of new development. The low-income levels in Rotherham has led to affordability remaining a challenge in Rotherham.
 - b) There is likely to be continued pressure on affordable housing and parts of the borough's housing stock and neighbourhoods remain in poor condition and previous regeneration programmes were only able to partially tackle this issue. As a result, there remains a need for regeneration in many parts of the borough. The lack of mainstream regeneration funding programmes will make this difficult to address, and it is likely that development values are not enough to encourage private investment without the need for significant subsidy¹²
 - c) The SHMA calculates an annual housing requirement of approximately 900 dwellings, consisting of 663 (74%) market housing dwellings and 237 (26%) affordable dwellings (170 social rented and 67 intermediate affordable dwellings).
 - d) It notes that most households expecting to move would prefer home ownership and detached and semi-detached houses (58%) or bungalows (30%). Most (78%) expect to live in either a two- or three-bedroom home.
- 2.2.4 In **Doncaster**, the SHMA calculates current overall housing need in Doncaster to be 990 per year, since revised to 920, It also identifies a need for an additional 255 affordable dwellings per year, of which most (72%) should be 2 or 3-bedroom, and a quarter to be 1-bed. Housing affordability is a significant issue in Doncaster, with increasing price to income (affordability) ratios, which are lower than the regional averages still show a significant issue.¹³
- 2.2.5 In **Sheffield**, the SHMA notes that there are a range of housing market issues and policy drivers that will impact on the need for new housing over the coming years.
- a) Family housing appears to be in relatively short supply and there is some merit in a focus on supplying larger properties for existing households to move to, which would in turn free up smaller properties for new and concealed households.
 - b) The shortage of existing family housing and of developer appetite to build new family housing leads to households moving to surrounding areas, such as Rotherham and North East Derbyshire, where such housing is relatively cheaper. This is inconsistent with the city's strategy for economic growth, which would be supported by retaining families within the Sheffield tax base.
 - c) The SHMA indicates an overall need for 1,768 new homes, although this has since been revised to 2,095 new homes. It also indicates that there is an overall annual shortfall of affordable housing of 725 units which should be met through an affordable/intermediate housing ratio of 70/30.

¹² Rotherham Strategic Housing Market Assessment 2015: Main Report: University of Sheffield - June 2015

¹³ Doncaster Strategic Housing Market Assessment Update: Doncaster Housing Strategy 2015 - 25

- d) Household preferences indicate that demand for owner occupation will be greater than demand for private rented accommodation, and that there is a clear preference for detached and semi-detached housing.
- e) Most current households (56%) would prefer 3 or larger bedroom properties in the city. More than 64% of potential movers would like a 2 or 3-bedroom house and a further 21% want 4-bedroom properties. In contrast to this figure, 80% of concealed households would prefer to, and expect to, move into smaller properties (2 bedrooms or less).¹⁴
- f) The SHMA indicated that welfare reform measures would have a distorting effect on demand for social rented housing in particular that around 7,000 working age social rented tenants¹⁵ would be affected leading to a pressure on existing 1-bedroom housing stock and a potential need for additional supply.

2.2.6 The **North Derbyshire and Bassetlaw Housing Market Area (HMA)** includes the local authority districts of Bolsover, Bassetlaw, Chesterfield and North East Derbyshire. The SHMA for the HMA area indicates a range of other policy related challenges and requirements that may need to be addressed over the coming years:

- a) The housing market is relatively flat, and accruing savings are a problem for younger households which is a notable constraint to home ownership, while there is also evidence of some homeowners being in negative equity.
- b) It will be important over the next 20 years to plan to meet the housing needs of a growing older population, including through supporting adaptations to existing properties), through provision of floating support) and through supporting development of specialist housing (including both public and private sector provision)
- c) There is a significant annual net need for up to 1,800 new affordable homes. Although the HMA also recognises the role of the private rented sector in meeting the need for affordable housing and taking this into account finds that 430 affordable homes per annum may be enough to meet affordable need, delivery of around. It indicates that 22% of the net need for affordable housing is for 'intermediate housing' products, with 78% for rented housing priced at 80% or less than existing market rental levels. Although the analysis also indicates a significant net need for social rented accommodation
- d) The SHMA recommends that up to 5% of new housing for sale should have 1-bedroom; between 35% and 40% should have 2-bedrooms; between 40% and 45% should have 3 bedrooms and between 15% and 20% should have 4 bedrooms or more.¹⁶

2.2.7 **Derbyshire Dales** is clearly part of a wider housing market area extending into the rest of Derbyshire, Sheffield and East Staffordshire, as evidenced by migration and travel to work data. The SHMA notes a range of housing provision and policy issues that may need to be addressed over the coming years:

- a) There will be a need for a range of older persons' dwellings to meet the needs of the increasing number and proportion of older people including town centre apartments, bungalows and sheltered housing in small clusters and smaller properties.

¹⁴ Sheffield Strategic Housing Market Assessment Main Report: November 2013 Sheffield Hallam University

¹⁵ Sheffield Strategic Housing Market Assessment op cit page xviii:

¹⁶ North Derbyshire and Bassetlaw Strategic Housing Market Assessment: GL Hearn: Final Report, November 2013

- b) There is a need to provide for the significant number of families and more mixed developments would provide accommodation for emerging families. The number and proportion of older people is expected to increase over the next decade and there may be a need for a range of older persons' dwellings to meet their requirements.
- c) There is a need to consider the links between housing and economic development as housing can help support economic growth and in turn the impact that economic growth has on housing requirements. There will be a need to consider the implications of further spending cuts on the large amount of employment in public administration.
- d) House prices have increased, and properties have become less affordable. At the same time there has been insufficient affordable housing to meet demand from those unable to access market housing. Options to improve housing supply and affordability need to be considered.
- e) The District's landscape and environment is one of its key assets and helps to attract business and investment to the area. However, supply of land and housing does have an impact on affordability, so consideration needs to be given on how best to address this issue in a way that allows for sustainable growth that also protects the District's unique character and environment.
- f) The SHMA identifies an annual target for new housing of 200 homes, although this has since been revised upwards to 284 new homes per year, of which 40% of new development should be affordable homes (around 80 dwellings) and 60% should be new homes for market sale (around 120 dwellings). It assesses that 83.5% of open market homes should be houses, 11.1% should be bungalows and the remaining 5.4% should be flats and that 34% should have up to 2 bedrooms, 41.2% should have 3 bedrooms and 24.9% should have 4 bedrooms or more.
- g) The SHMA assesses that a net annual shortfall of 180 affordable units per annum but also states that this should not be a specific target, and elsewhere the assessment assumes that 40% of the new homes target would be affordable (or 80 dwellings). It finds that there is evidenced demand for intermediate tenure products, but it would be expected that most new affordable dwellings would be for rent. Economic viability work carried out by the Council will help to determine an appropriate tenure split which is normally between 10 and 40% intermediate tenure (and correspondingly 60 to 90% affordable rented).¹⁷

2.2.9 Summary

2.2.9.1 Across the city region there are concerns at the levels of affordability of existing housing. Increasingly, households are requiring two incomes to afford mortgage payments and market rents and some social rents.

¹⁷ (Derbyshire Dales Housing and Economic Needs Assessment: Draft Final Report Derbyshire Dales District Council: 10th February 2014 - Atkins, supported by Arc 4 and Edge Analytics)

2.2.9.2 There are concerns at the levels of private rents and the impact this has on household incomes. There are also concerns over the impacts of welfare reform on the ability of households to afford their housing costs. In particular there are concerns that the current stock mix in the social rented sector may not enable providers to meet the needs of households affected by the 'bedroom tax' and that could force tenants from social housing into private renting where issues of affordability are acute.

2.2.9.3 There is a demonstrable need for new homes across the housing market across all parts of the city region and a need for an increased supply of housing that is affordable to households on below average incomes. Appendix A3a shows the Government's assessment of what level of new housing the Sheffield City Region local authorities should provide based on a national methodology and compares this to the need for new housing and affordable housing across the city region drawn from the Strategic Housing Market Assessments across the City Region and subsequent revisions emerging from review of local plans (6,530 new homes). Appendix A3b that of the 6,530 new homes needed per year, 67% should be for market sale and 33% should be affordable housing. It also shows that there may be a need for 3,431 new affordable homes per year, of which 76% should be social rented/affordable rent and 24% should be intermediate rent or low-cost home ownership.

2.3 Social drivers to housing growth

2.3.1 *Changes in numbers of older people*

Appendix A4 shows marked changes in the proportions of older people between 2001 and 2011 which, if they continue, may indicate future pressure on housing aimed at older people and may require a different approach to meeting their housing needs.:

The proportion of people aged over 85 across the city region increased by 20%. It is likely that many people of that age will have a requirement for specialist housing and care provision. The increase was higher than average in North East Derbyshire (44%), Chesterfield (30%), Doncaster (31%), Rotherham (30%), Bassetlaw and Bolsover (both 28%) and Derbyshire Dales (27%) and below average in Sheffield (3%) and Barnsley (18%)

The proportion of people aged between 65 and 85 increased by 3%. The increases were higher than the average in Derbyshire Dales (16%), North East Derbyshire (15%) Bassetlaw (12%) Rotherham (10%) and Barnsley (6%), and below the average in Sheffield (- 7%), Doncaster (0.4%) and Chesterfield and Bolsover (2%)

The proportion of people aged between 45 and 65 increased by 6.7%. A proportion of people in this age group will still be active in the housing market and may be seeking to trade up while others may be looking towards reappraising their housing requirements as children leave home. The increase also provides some indication of future need for more specialist housing and support. The increase was higher than average in all areas except Sheffield (0.4%) and North East Derbyshire (6%)

2.3.2 *Changes in numbers of younger people under 25*

Appendix A4 shows an increase of 17% in the proportion of people aged 16 to 25 in the city region between 2001 and 2011. If this trend were to continue it may indicate both an increasing demand for smaller housing for rent and for housing for sale from first-time buyers. The increase was higher than average in Sheffield (25%) and close to the average in Bolsover (15%) but below average in all the other 7 areas.

2.3.3 *Changes in numbers of families*

2.3.4 Appendix A5 shows that the proportion of people of 'family building age (25 – 44) reduced between 2001 and 2011, while the proportion of families with children reduced by 2.4%. This implies that pressure for family housing to meet needs may not be as great as the need for new housing to meet the needs of younger households seeking their first home, and older people seeking smaller housing.

2.3.5 *Changes in ethnic composition*

2.3.6 Analysis of 2011 and 2001 census data (See Appendix A6) indicates that the ethnic composition of the city region is changing with the proportion of people of White British origin reducing and the proportions of people from Black and Ethnic Minority communities increasing substantially. While this may not impact on the overall level of housing required, it may reinforce even more the need for new housing in a mix of tenures, types and sizes.

3.0 Home ownership – Access and Affordability

This section considers levels of home ownership across the Sheffield City Region, average, the level of house prices and movements in prices over the last 10 years, and the affordability of housing for sale across the city region.

3.1 Levels of home ownership

3.1.1 Table 4 shows the levels of home ownership across the Sheffield City Region. Overall 64% of households are home owners. The proportion in South Yorkshire is slightly lower than the city region average; the highest proportion is in the Derbyshire Dales district (72%) and the lowest is in Sheffield (58%). In 7 of the 9 constituent and non-constituent districts the proportion of households that are homeowners is higher than the average for England.

Table 4 Home ownership in Sheffield City Region

	Owner Occupied	
Barnsley	64,800	64.3%
Doncaster	82,800	65.4%
Rotherham	70,600	65.2%
Sheffield	134,100	58.3%
South Yorkshire average	352,300	62.3%
Bassetlaw	33,100	69.5%
Bolsover	22,000	67.0%
Chesterfield	29,500	63.1%
North East Derbyshire	30,500	70.9%
Derbyshire Dales	22,300	72.4%
City Region Average	489,700	63.9%
England	13,975,024	63.3%

(Source: 2011 Census data in NOMIS 2018)

3.1.2 The predominantly higher than average proportion of homeowners in many parts of the city region indicates the strong demand for home ownership and provides an indicator of future need for access to home ownership.

Table 5 Homeowners aged over 65

	Outright Homeowners over 65		
	Number	% of all home owners	% of all households
Barnsley	27,200	42.0%	27.0%
Doncaster	34,200	41.3%	27.0%
Rotherham	18,100	25.6%	16.7%
Sheffield	34,000	25.4%	14.8%
South Yorkshire average	113,500	32.2%	20.1%
Bassetlaw	8,800	26.6%	18.5%
Bolsover	5,700	26.1%	17.5%
Chesterfield	8,400	28.5%	18.0%
North East Derbyshire	9,300	30.5%	21.6%
Derbyshire Dales	7,400	33.0%	23.9%
City Region Average	153,100	31.3%	20.0%
<i>England</i>	<i>3,822,400</i>	<i>27.4%</i>	<i>17.3%</i>

(Source: 2011 Census data in NOMIS 2018)

- 3.1.3 Table 5 shows that almost a third of homeowners across the city region and in South Yorkshire are aged over 65, with the proportion of older homeowners above the average in Barnsley (42%), Doncaster (41%) and Derbyshire Dales (33%) and below the average in all other areas.
- 3.1.4 Additionally, there is a large proportion of households living in housing with more bedrooms than they need. Appendix A7 shows that 68% of households across the city region, and 72% in South Yorkshire are living in housing with 1 or more bedrooms more than they need. 55% of those under-occupying their homes in the city region and 53% in South Yorkshire are homeowners. The proportion is higher than average in Derbyshire Dales (80%), North East Derbyshire (79.5%), Bassetlaw (79.4%), Bolsover (78%), Barnsley (76%), Doncaster and Rotherham (75%).
- 3.1.5 This suggests that there may be a significant proportion of older homeowners, whose children may have left home and are living in larger housing, and who may want to 'downsize' and move to smaller housing.

3.2 **Average and entry level prices and trends**

- 3.2.1 Table 6 shows that the average house price in the Sheffield City Region is £231,793 and in South Yorkshire is significantly lower at £190,492. Prices range from £373,831 in Derbyshire Dales to £165,738 in Rotherham. The average entry level house price in the city region is £121,786, and in South Yorkshire is £106,550. Entry level prices range from £180,515 in Derbyshire Dales to £95,333 in Rotherham.

Table 6 Movements in house prices: 2008 to 2018

	2008		2018		% change		% annual change	
	Entry Level	Average	Entry Level	Average	Entry Level	Average	Entry Level	Average
Barnsley	£108,074	£181,600	£107,889	£195,740	-0.2%	7.8%	-0.02%	0.8%
Doncaster	£107,583	£179,986	£102,357	£195,182	-4.9%	8.4%	-0.49%	0.8%
Rotherham	£105,698	£161,933	£95,333	£165,738	-9.8%	2.3%	-0.98%	0.2%
Sheffield	£112,386	£180,592	£120,623	£234,310	7.3%	13.7%	0.73%	1.4%
South Yorkshire average	£108,435	£176,028	£106,550	£190,492	-1.7%	8.2%	-0.17%	0.8%
Bassetlaw	£128,523	£225,135	£132,701	£259,990	3.3%	15.5%	0.33%	1.6%
Bolsover	£106,625	£160,223	£115,204	£202,814	8.0%	26.6%	0.80%	2.7%
Chesterfield	£112,856	£182,530	£113,080	£224,846	0.2%	23.2%	0.02%	2.3%
NE Derbyshire	£121,870	£201,950	£128,190	£262,682	5.2%	30.1%	0.52%	3.0%
Derbyshire Dales	£157,711	£297,299	£180,515	£373,831	14.5%	25.7%	1.45%	2.6%
City Region Average	£117,925	£196,805	£121,766	£235,880	3.3%	19.9%	0.33%	2.0%

(Source: www.home.co.uk; www.rightmove.co.uk 2018)

- 3.2.2 The level of average house prices across the Sheffield City Region increased by 19.9% between 2008 and 2018, or by 1.99% per year over that time, compared to 8.2%, or 0.8% per year in South Yorkshire. The increase in average prices ranged from 30.6% in North East Derbyshire to 2.3% in Rotherham.

- 3.2.3 The level of entry level prices across the city region increased by 3.3% or by 0.33% per year over the period, but in South Yorkshire fell by 1.7% or 0.17% per year. The movement in entry level house prices ranged from an increase of 14.5% in Derbyshire Dales to a reduction of 9.8% in Rotherham.
- 3.2.4 The increasing trend in house prices will have impact on future levels of affordability of housing for sale, especially for first time buyers.

3.3 Affordability Ratio of entry level and average prices

- 3.3.1 Overall, the affordability ratio for entry level prices across the city region are 3.1 times income for average earners, 5.9 times a bottom quartile income and 6.8 times a bottom 20% income. This compares to 2.8, 5.1 and 6.0 respectively in South Yorkshire. (See Table 7)

Table 7 Affordability ratios of homes for sale for households with bottom decile, bottom quartile and average incomes

	Income needed to afford	Affordability Ratios Household Income)					
		Bottom 20%		Bottom 25%		Average	
		Entry Level	ALL	Entry Level	ALL	Entry Level	ALL
Barnsley	£32,748	5.8	12.6	4.9	10.7	2.8	6.1
Doncaster	£30,985	5.6	11.6	4.9	10.0	2.7	5.6
Rotherham	£29,900	5.8	10.3	4.8	8.5	2.7	4.8
Sheffield	£37,415	6.9	12.2	5.7	10.1	3.1	5.5
South Yorkshire average	£32,762	6.0	11.7	5.1	9.9	2.8	5.5
Bassetlaw	£42,023	6.8	14.8	5.5	12.0	3.3	7.0
Bolsover	£30,285	6.5	13.0	5.5	10.9	3.1	6.2
Chesterfield	£34,255	6.3	13.5	5.1	11.1	3.0	6.5
North East Derbyshire	£26,360	7.4	16.0	6.4	13.9	3.2	6.9
Derbyshire Dales	£53,005	12.0	24.5	9.1	18.7	3.9	8.0
City Region Average	£39,380	6.8	13.0	5.9	11.9	3.1	6.4

(Source: www.rightmove.co.uk 2018: Annual Survey of Hours and Earnings, Office for National Statistics 2017)

- 3.3.2 The affordability ratio for average prices (for all properties) are 6.4 times an average household income, 11.9 times a bottom quartile household income and 13.0 times a bottom 20% household income, compared to 5.5, 9.9 and 11.7 respectively in South Yorkshire. This indicates that the ability to afford prices for larger properties will depend on purchasers having equity from the sale of another property or a substantial deposit. (See Appendix B2).
- 3.3.3 Affordability ratios vary across the city region. Affordability ratios are generally lower in South Yorkshire. The highest ratios are in Derbyshire Dales, North East Derbyshire, Sheffield and Bassetlaw. The lowest are in Barnsley, Doncaster and Rotherham. For households on average incomes, affordability ratios for entry level prices range from 2.7 times income in Rotherham and Doncaster to 3.9 times income in Derbyshire Dales. For households on bottom quartile incomes, affordability ratios range from 4.8 times income in Rotherham to 9.1 times income in Derbyshire Dales. For households on bottom 20% incomes affordability ratios range from 5.6 times income in Rotherham to 12.0 times income in Derbyshire Dales.
- 3.3.4 Affordability, especially for first time buyers, is affected both by the level of mortgage payments relative to income and the scale of deposit required by lenders to secure a mortgage.

3.4 **Affordability of mortgage payments**

- 3.4.1 Across the city region, mortgage payments would take 18% of an average household income, 33% of a bottom quartile income, and 38% of a bottom 20% income, compared to 16%, 29% and 34% respectively in South Yorkshire (See Table 8). These levels of affordability depend however, on the household having more than one income. For single income households the affordability levels are much lower with mortgage payments taking up to 50% of income for a household with a single bottom 20% income earner. (Examples of the impact of the various types of housing cost on single income households are shown in Appendix C7).
- 3.4.2 There is also variation within the city region though. Mortgage payments would take no more than 25% of an average household income in all 9 constituent/non-constituent areas. Mortgage payments would not be affordable to households with a bottom quartile income in Derbyshire Dales (where 51.6% of income would be taken by mortgage payment) and may not be affordable to households on a bottom quartile income in North East Derbyshire but would probably be affordable in the other 7 areas. For those with a bottom 20% household income, mortgage payments would be affordable Rotherham, Barnsley and Doncaster; may be affordable in Bolsover, Chesterfield, Sheffield and Bassetlaw but would not be affordable in North East Derbyshire or Derbyshire Dales.

Table 8 Affordability of mortgage payments

	Mortgage payment (Entry Level)	% Average income	% bottom quartile income	% bottom 20% income
Barnsley	£477	15.7%	27.7%	32.6%
Doncaster	£451	15.4%	27.6%	31.9%
Rotherham	£436	15.1%	26.9%	32.4%
Sheffield	£545	17.5%	32.6%	38.7%
South Yorkshire average	£478	15.9%	28.7%	34.0%
Bassetlaw	£554	18.3%	31.3%	38.4%
Bolsover	£479	17.6%	32.7%	36.9%
Chesterfield	£499	17.1%	29.0%	35.5%
North East Derbyshire	£564	18.0%	36.4%	42.0%
Derbyshire Dales	£825	22.1%	51.6%	67.8%
City Region Average	£537	17.6%	32.7%	38.1%

(Source: www.rightmove.co.uk 2018: Annual Survey of Hours and Earnings, Office for National Statistics 2017)

- 3.4.3 The level of mortgage payments will depend on the amount of deposit required by lenders, or that would-be buyers would want to pay.

3.5 **Affordability of deposits to secure a mortgage**

- 3.5.1 While mortgage payments are affordable to households on average incomes and largely affordable to households on bottom quartile incomes, first time buyers may still face barriers in securing a mortgage to take up home ownership.
- 3.5.2 Table 9 shows the level of deposit required to secure a mortgage for an entry level home and the number of years it may take for first time buyers to accumulate the deposit required (based on a deposit of 15% of purchase price being required and households being able to save 10% of their income).

Table 9 Levels of deposit required, and time needed to save

	Deposit required for Entry Level home	No of years to save deposit		
		Bottom 20% income	Bottom quartile income	Average income
Barnsley	£15,228	8.7	8.4	4.6
Doncaster	£14,408	8.5	9.1	4.9
Rotherham	£13,903	8.7	7.2	3.9
Sheffield	£17,398	10.3	9.2	5.0
South Yorkshire average	£15,234	9.0	7.6	4.2
Bassetlaw	£17,686	10.5	7.5	4.0
Bolsover	£15,303	9.8	9.5	5.1
Chesterfield	£15,928	9.5	9.2	5.0
North East Derbyshire	£17,991	11.1	10.4	5.6
Derbyshire Dales	£26,327	18.0	7.7	4.2
City Region Average	£17,130	12.2	8.7	4.7

(Source: www.rightmove.co.uk 2018)

- A deposit of just over £17,000 would be required to secure a mortgage for an entry level home across the City Region, and just over £15,200 in South Yorkshire. The deposit required ranges from just under £14,000 in Rotherham to just over £26,000 in Derbyshire Dales. It would be likely to take households on an average income
 - 4.7 years for households on an average income across the city region and 4.2 years in South Yorkshire to accumulate the deposit required (ranging from 3.9 years in Rotherham to 5.6 years in Derbyshire Dales.
 - 8.7 years for households on bottom quartile incomes across the city region and 7.6 years in South Yorkshire to accumulate the deposit required (ranging from 7.2 years in Rotherham to 10.4 years in North East Derbyshire
 - 12.2 years for households on bottom 20% incomes across the city region, and 9.0 years in South Yorkshire, to accumulate the deposit required (ranging from 8.5 years in Doncaster to 18.0 years in Derbyshire Dales), and as indicated above even if the deposit could be saved, for some households on low incomes mortgage payments may be unaffordable.

3.5.3 The deposits required to secure mortgages for larger properties (3 bedrooms and above) will be considerably higher and will require significantly longer time to save them unless the purchaser has equity from an existing property. (See Appendix B3)

3.6 Affordability of newly-built housing for sale

3.6.1 Table 10 and Appendix B4 presents data from a survey of newly built homes advertised for sale on www.rightmove.co.uk in August 2018. The survey reviewed 1,600 advertised homes spread across the city region, but with most in Sheffield, Doncaster, Bassetlaw and North East Derbyshire. It shows that

3.6.2 Just over half of advertised properties were priced at between £150,000 and £300,000, with proportions ranging from 34% in Sheffield to 67% in Barnsley

3.6.3 7% of advertised properties were priced at under £100,000 mostly shared ownership properties and some student studio flats in Sheffield

- 3.6.4 3.9% of advertised properties were priced at over £500,000 with most for sale in Derbyshire Dales, Sheffield, North East Derbyshire and Chesterfield

Table 10 Price ranges of newly built homes for sale

	Under £100,000	£100 - £150,000	£150 - £200,000	£200 - £300,000	£300 - £500,000	Over £500,000	ALL
Doncaster	12.7%	30.9%	30.5%	20.8%	4.7%	0.4%	236
Barnsley	0.0%	20.4%	29.3%	37.1%	12.6%	0.6%	167
Rotherham	1.7%	25.6%	31.4%	31.4%	7.0%	2.9%	172
Sheffield	20.7%	23.6%	23.6%	10.3%	12.3%	9.4%	203
South Yorkshire average	9.6%	25.6%	28.7%	23.9%	8.9%	3.3%	778
Bassetlaw	6.9%	15.2%	26.7%	26.7%	21.7%	2.8%	217
Bolsover	6.0%	3.6%	33.7%	30.1%	25.3%	1.2%	166
Chesterfield	3.5%	3.5%	33.7%	31.4%	23.3%	4.7%	86
North East Derbyshire	2.8%	10.6%	20.6%	28.4%	31.7%	6.0%	218
Derbyshire Dales	4.4%	0.7%	10.4%	31.9%	43.7%	8.9%	135
City Region Average	7.2%	16.6%	26.6%	26.6%	19.1%	3.9%	1600

(Source: www.rightmove.co.uk 2018: Annual Survey of Hours and Earnings, Office for National Statistics 2017)

- 3.6.5 Table 11 shows the affordability of mortgage payments for newly built homes for households on different levels of income.

Table 11 Affordability of mortgages for newly built properties

Prices of new build homes	% of new build	% of household income taken by mortgage payments with a 10% deposit		% of household income taken by mortgage payments with a 15% deposit	
		Average incomes	Bottom quartile incomes	Average incomes	Bottom quartile incomes
Over £500,000	3.9%	Over 77%	Over 143%	Over 73%	Over 135%
£300,000 - £500,000	19.1%	46 - 77%	85 - 143%	44 - 73%	81 - 135%
£200,000 - £300,000	26.6%	31 - 46%	57 - 85%	29 - 44%	54 - 81%
£150,000 - £200,000	26.6%	23 - 31%	43 - 57%	22 - 29%	40 - 54%
£100,000 - £150,000	16.6%	15 - 23%	29 - 43%	14 - 22%	27 - 40%
Under £100,000	7.2%	Under 15%	Under 29%	Under 14%	Under 27%

(Source: www.rightmove.co.uk 2018: Annual Survey of Hours and Earnings, Office for National Statistics 2017)

- 3.6.6 It shows that households with average incomes would be likely to be able to afford mortgage payments for new build properties priced at upto £250,000 if they are able to provide a 15%, or upto £200,000 with a 10% deposit. Households with bottom quartile incomes would be able to afford mortgage payments for properties priced at upto £150,000. The affordability of mortgage costs in many parts of the city region to households with low incomes would be dependent on two incomes being maintained. (See Appendix B5) These levels of affordability may be important if provisions of new build starter homes (priced at 20% below market value) were to be considered.

3.7 Affordability of 'starter homes'

3.7.1 Table 12 below shows the price of entry level Starter Homes (1 or 2 beds) priced at 20% below market value along with the level of deposit required and the affordability ratio for households with different incomes.

Table 12 Affordability of Starter Homes

Starter home	Entry Level price (1 or 2 beds)	Deposit required	Affordability ratio		
			Bottom 20% incomes	Bottom 25% incomes	Average incomes
Barnsley	£81,216	£12,182	4.6	6.6	2.2
Doncaster	£76,842	£11,526	4.5	3.9	2.2
Rotherham	£74,151	£11,123	4.6	3.8	2.1
Sheffield	£92,790	£13,919	5.5	4.6	2.5
South Yorkshire average	£81,250	£12,188	4.8	4.2	2.3
Bassetlaw	£94,323	£14,148	5.5	4.4	2.6
Bolsover	£102,018	£26,327	5.2	4.6	2.5
Chesterfield	£84,951	£12,743	5.0	4.6	2.3
North East Derbyshire	£95,951	£14,393	5.9	5.2	2.5
Derbyshire Dales	£140,413	£26,327	9.6	7.3	3.1
City Region Average	£83,471	£12,521	4.9	4.2	2.3

(Source: www.rightmove.co.uk, 2018: Annual Survey of Hours and Earnings, Office for National Statistics 2017)

3.7.2 It shows that prices of entry level Starter Homes across the City Region would be £83,471 and would be £81,250 across South Yorkshire, varying from just over £74,000 in Rotherham to £140,400 in Derbyshire Dales.,

- the affordability ratio for households with average incomes would be 2.3 times income across the City Region and South Yorkshire (ranging from 2.1 times income in Rotherham to 3.1 times income in Derbyshire Dales);
- the affordability ratio for households with bottom quartile incomes would be 4.2 times income across the city region and across South Yorkshire (ranging from 3.8 times income in Rotherham to 7.1 times income in Derbyshire Dales,
- the affordability for households on bottom 20% incomes would be 4.9 times income across the city region and 4.8 times income in South Yorkshire (ranging from 4.5 times income in Doncaster to 9.6 times income in Derbyshire Dales).

3.7.3 This suggests that starter homes would be potentially attractive and affordable to households on with average household incomes and may be affordable to households with low incomes in areas with lower market house prices. It is likely that they would not be affordable, without compromising other essential areas of household expenditure, for households with the lowest household incomes. These levels of affordability may be important if provisions of new build starter homes (priced at 20% below market value) were to be considered.

3.8 Affordability of Shared Ownership schemes

3.8.1 Low Cost Home Ownership in the form of Shared Ownership offers an option for first time buyers unable to afford full market prices or Starter Homes. Analysis shown in Table 13 assesses the affordability of the Help to Buy Shared Ownership (HTBSO) model at 25%, 40% and 50% equity shares.

This indicates that HTBSO may be attractive to, and viable for, households on bottom quartile incomes or above. The scheme will also probably be advantageous to households with children and young potential family builders. The viability will depend on the sale price of the properties concerned, the size of the equity stake to be purchased.

Table 13 Affordability of Help to Buy Shared Ownership

Sale Price	Equity Share			
	25%	40%	50%	75%
£100,000				
Average household income	5.4%	8.7%	10.9%	16.3%
Bottom 25% household income	9.8%	15.7%	19.6%	29.4%
Bottom 20% household income	11.8%	18.9%	29.6%	47.3%
£125,000				
Average earners	6.8%	10.9%	13.6%	20.4%
Bottom 25% earners	12.3%	19.6%	24.5%	36.8%
Bottom 20% income	14.8%	23.7%	35.5%	44.4%
£150,000				
Average earners	8.2%	13.1%	16.3%	24.5%
Bottom 25% earners	14.7%	23.5%	29.4%	44.6%
Bottom 20% household income	17.7%	28.4%	53.2%	53.2%
£175,000				
Average earners	9.5%	15.2%	19.0%	28.5%
Bottom 25% earners	17.2%	27.4%	34.3%	51.5%
Bottom 20% household income	20.7%	33.1%	41.4%	62.1%
£200,000				
Average earners	10.9%	17.4%	21.7%	32.6%
Bottom 25% earners	19.6%	31.4%	39.2%	58.8%
Bottom 20% household income	23.7%	37.9%	47.3%	71.0%
£225,000				
Average earners	12.2%	19.5%	24.5%	36.7%
Bottom 25% earners	22.4%	35.2%	44.1%	66.2%
Bottom 20% household income	26.7%	42.6%	53.2%	79.9%
£250,000				
Average earners	13.6%	21.7%	27.2%	40.8%
Bottom 25% earners	24.5%	39.2%	49.0%	73.5%
Bottom 20% household income	29.6%	47.3%	59.1%	88.7%
£275,000				
Average earners	15.0%	23.9%	29.9%	44.8%
Bottom 25% earners	27.0%	43.1%	53.9%	80.8%
Bottom 20% household income	32.6%	52.1%	65.1%	97.6%

(Source: www.rightmove.co.uk May 2018; ONS ASHE statistics 2017)

- 3.8.2 Analysis of the proportions of income taken by the combined mortgage and rent payments for a shared ownership property shows that
- An equity share of 25% would be affordable for households on average, bottom quartile and bottom 20% household incomes in all areas for prices up to £300,000;
 - An equity share of 40% would be affordable for households on average incomes in all areas for prices up to £300,000; for households on bottom quartile incomes in all areas for prices up to £225,000; and for households on bottom 20% incomes for prices up to £175,000;
 - An equity share of 50% would be affordable to households on average incomes for prices up to £275,000; for households on bottom quartile incomes for prices up to £175,000 and for households on bottom 20% incomes for prices up to £100,000.
 - An equity share of 75% would be affordable to households with average incomes in all areas for properties up to £225,000. For households on bottom quartile incomes for prices up to £125,000 but would be largely unaffordable for households on bottom 20% incomes.
- 3.8.3 This also suggests that affordability may become more of an issue for households taking up shared ownership as they try to 'staircase' up their equity stake.

3.9 Summary of findings – home ownership

- 3.9.1 Levels of home ownership across the city region, and in South Yorkshire, are perhaps higher than may be expected with proportions of households that are homeowners higher than the national average in 7 of the 9 local authority areas
- 3.9.2 House prices are below the national average but are still at a level that bring implications for affordability. Average house prices are rising but the rises are dependent on property type and size. Average prices have risen by 18% since 2008 bringing further implications for affordability
- 3.9.3 Entry level house prices and mortgage payments are largely affordable to households with an average income and are affordable in many parts of the city region to households with more than one low income.
- 3.9.4 While mortgage payments are affordable to a wide range of households, access to home ownership is still being made very difficult by the levels of deposit required to secure a mortgage. A deposit of £17,000 is required to secure a mortgage for an entry level home which it could take 5 years for a household on average income to save, and 9 years for a household with bottom quartile incomes and 12 years for a household with a bottom 20% income.
- 3.9.5 New build housing is predominantly priced at between £150,000 and £300,000 and are affordable to average earners, however, again the level of deposit required provides the major barrier to access
- 3.9.6 Starter Homes would be potentially attractive and affordable to households on with average household incomes and may be affordable to households with low incomes in areas with lower market house prices. It is likely that they would not be affordable, without compromising other essential areas of household expenditure, for households with the lowest household incomes.
- 3.9.7 Low-Cost Home Ownership would be affordable to households on average incomes and to households on bottom quartile and bottom 20% incomes for smaller equity shares on cheaper properties.

4.0 Rented Housing – Access and Affordability

4.1 Levels of renting

4.1.1 Table 14 shows that the proportion of households renting across the city region is slightly lower than the national average, while the proportion renting in South Yorkshire is higher. However, while the proportion renting privately across the city region and South Yorkshire is lower, the proportion living in social rented housing is higher.

Table 14 Households living in rented housing

	All Rented	Private rented	Social rented
Sheffield	40.3%	15.6%	24.8%
Barnsley	33.6%	12.8%	20.9%
Rotherham	32.8%	11.3%	21.5%
Doncaster	32.6%	14.8%	17.7%
South Yorkshire average	36.0%	14.1%	21.9%
Bolsover	31.2%	13.0%	18.2%
Bassetlaw	28.4%	12.5%	15.9%
Chesterfield	35.6%	12.4%	23.2%
North East Derbyshire	27.8%	7.4%	20.4%
Derbyshire Dales	24.7%	12.6%	12.2%
City Region	34.3%	13.4%	20.9%
England	34.5%	16.8%	17.7%

(Source: 2011 Census data in NOMIS 2018)

4.1.2 The highest proportion of household renting privately are in Sheffield (driven by the student rental market) and Doncaster. The highest proportions living in social rented housing are in Sheffield, Chesterfield and Barnsley.

4.2 Market renting

4.2.1 Levels of Market rents

Table 15 Market rents by property size

	Average Monthly Market Rent					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	£404	£503	£454	£634	£1,117	£580
Doncaster	£422	£500	£461	£576	£853	£530
Rotherham	£403	£493	£448	£596	£776	£523
Sheffield	£467	£598	£532	£753	£1,049	£660
South Yorkshire average	£424	£524	£474	£640	£949	£573
Bassetlaw	£410	£517	£464	£664	£1,001	£603
Bolsover	£403	£503	£453	£640	£773	£499
Chesterfield	£424	£520	£472	£704	£764	£555
North East Derbyshire	£408	£522	£465	£756	£931	£579
Derbyshire Dales	£463	£618	£541	£863	£1,197	£699
City Region Average	£420	£528	£474	£687	£940	£581

(Source: www.rightmove.co.uk; www.home.co.uk; www.zoopla.co.uk 2018)

4.2.1.1 The average market rent across the city region is £581 per month (£142 per week) and £573 per month (£132 per week) in South Yorkshire and range from £499 per month in Bolsover to £699 in Derbyshire Dales. The entry level market rent (studio, 1 and 2 bed properties) is £474 per month (£116 per week), the same as for South Yorkshire and range from £433 per month in Bolsover to £541 in Derbyshire Dales.

Table 16a Comparison of Average Market Rents and Local Housing Allowance Rates

	<i>Difference between Average Market Rents and LHA Rates</i>			
	1 Bed	2 Bed	3 Bed	4 Bed
Barnsley	£20.51	£32.59	£62.67	£39.38
Doncaster	£19.30	£22.15	£29.36	£53.01
Rotherham	£13.60	£16.81	£36.54	£41.00
Sheffield	£12.97	£30.89	£57.24	£86.08
South Yorkshire average	£16.59	£21.98	£45.58	£60.94
Bolsover	£16.36	£18.37	£38.95	£30.87
Bassetlaw	£19.09	£24.22	£47.28	£82.58
Chesterfield	£17.30	£22.19	£48.08	£26.41
North East Derbyshire	£9.58	£18.30	£58.91	£60.09
Derbyshire Dales	£18.92	£36.38	£77.65	£115.79
City Region average	£16.46	£24.57	£44.77	£62.24

(Source: Valuation Agency Local Housing Allowance (LHA) rates applicable from April 2018 to March 2019)

4.2.1.2 Table 16a shows that there is a significant difference between the average market rents in operation across the city region and the Local Housing Allowance (LHA) rates det for each area. This difference is probably due to the LHA Rates being calculated against the 30th percentile rent. This has been highlighted recently in a CIOH report ¹⁸

Table 16b % of advertised lettings at LHA rate or below

Local Authority area	% of advertised lettings at LHA Rate or under					
	Room	1 Bed	2 Bed	3 Bed	4+ Bed	ALL
Barnsley	8.7%	3.1%	13.2%	15.4%	3.3%	11.0%
Doncaster	0.7%	5.8%	13.2%	9.1%	7.1%	8.4%
Rotherham	0.0%	16.7%	18.8%	11.8%	0.0%	15.0%
Sheffield	4.0%	18.5%	5.5%	4.5%	2.2%	8.1%
South Yorkshire average	3.4%	18.5%	9.4%	7.8%	2.6%	8.9%
Bassetlaw	0.0%	19.1%	17.4%	13.2%	2.9%	15.1%
Bolsover	0.0%	13.6%	8.4%	14.8%	0.0%	10.6%
Chesterfield	0.0%	8.0%	8.4%	4.3%	0.0%	6.9%
North East Derbyshire	0.0%	16.5%	12.6%	16.8%	4.2%	14.1%
Derbyshire Dales	0.0%	13.6%	3.1%	3.6%	12.0%	5.8%
City Region	4.3%	14.4%	13.6%	14.3%	2.8%	13.1%

(Source: www.rightmove.co.uk 2018; Valuation Agency Local Housing Allowance (LHA) rates applicable from April 2018 to March 2019)

¹⁸ MISSING THE TARGET? Is targeted affordability funding doing its job? CIOH August 2018

4.2.1.3 Only a small proportion are available at market rents at the LHA rate or below. Fewer than 1 in 8 advertised lettings across the city region and 1 in 11 in South Yorkshire were at the LHA rate or below, varying from 1 in 17 in Derbyshire Dales to 1 in 7 in Bassetlaw. It means that should benefit claimants be unable to find lettings at the LHA rate, then they will be required to meet the difference from their earned income or benefits, with associated affordability issues given the necessity to cover other essential items of household expenditure.

4.2.2 **Affordability of entry level market rents**

4.2.2.1 Table 17 below shows that an income of £18,200 is required to afford entry level market rents across the city region and in South Yorkshire, which equates to 0.75 single average incomes or 1.4 single bottom quartile incomes or 1.6 single bottom 20% incomes.

Table 17 Income needed to afford entry level market rents and % of various incomes

	<i>Income needed to afford entry level rents</i>	<i>% of bottom 20% income taken by entry level rents</i>	<i>% of bottom quartile income taken by entry level rents</i>	<i>% of average income taken by entry level rents</i>
Barnsley	£17,434	31.0%	26.4%	14.9%
Doncaster	£17,702	32.5%	28.2%	15.7%
Rotherham	£17,203	34.8%	27.6%	15.5%
Sheffield	£20,429	37.8%	31.9%	17.0%
South Yorkshire average	£18,192	33.2%	28.2%	15.6%
Bassetlaw	£17,818	32.2%	26.2%	15.4%
Bolsover	£17,395	33.3%	29.5%	15.9%
Chesterfield	£18,125	33.6%	27.4%	16.2%
North East Derbyshire	£17,856	34.6%	30.0%	14.8%
Derbyshire Dales	£20,774	44.8%	33.8%	14.5%
City Region Average	£18,219	33.8%	30.7%	16.5%

(Source: www.rightmove.co.uk; www.home.co.uk; www.zoopla.co.uk 2018); Annual Survey of Hours and Earnings, (ASHE) Office for National Statistics 2017)

4.2.2.2 The household income needed to afford market rents is higher than average in Derbyshire Dales and Sheffield; around average in Chesterfield, North East Derbyshire, Bassetlaw and Doncaster and below average in Barnsley, Doncaster, Bolsover and Rotherham. Market rents for entry level properties (1 and 2 bed) would take:

- Less than 25% of average household incomes in all 9 local authority areas, considerably less than the benchmark of 33% of household income. The proportion of income taken by rents for larger properties is also less than 33%.
- 30.7% of bottom quartile household income across the city region and 28.2% in South Yorkshire with the highest proportions in Sheffield, Derbyshire Dales and North East Derbyshire, and the lowest in Bassetlaw, Barnsley, Chesterfield and Rotherham. It should be noted that the proportion of bottom quartile incomes taken by rents for 3 and 4 bed properties is much higher (42% and 57% respectively).

- 33.8% of bottom 20% household incomes across the city region and 33.2% in South Yorkshire, around the benchmark for affordability, with the highest proportion of bottom 20% household incomes taken up by market rent in Sheffield, North East Derbyshire, Bassetlaw and Bolsover and the lowest in Rotherham, Chesterfield and Barnsley. It should be noted that the proportion of bottom 20% incomes taken by rents for 3 and 4-bedroom properties is much higher (49% and 67% respectively).

4.2.2.3 This would indicate that all market rents are affordable to households with average incomes, but only entry level market rents are affordable to households with low (bottom quartile) incomes, and very low (bottom 20%) incomes. Rents for 3-bedroom or 4-bedroom properties take up a far higher proportion of income for low income households (41% and 57% respectively).

This has implications for families with children on low or very low incomes needing ‘family size housing’. It should also be noted that the proportions of income taken are for household (i.e. 1.5 single incomes) the proportion taken by single earner households could be as high as 60%. (See Appendix C2)

4.3 Social Rented Housing

4.3.1 Levels of social renting

4.3.1.1 Table 18 shows that across the city region 20.9% of households live in social rented housing rented either from a local authority or ALMO (16.5%) or housing association/Registered Provider (4.4%), compared to 17.2% and 4.7% respectively in South Yorkshire. The highest proportions of households living in social rented housing are in Sheffield, Chesterfield and Rotherham and the lowest are in Bassetlaw and Derbyshire Dales.

Table 18 Households renting from a local authority or housing association

	Social Rented		Local Authority		Housing Association	
Sheffield	56,900	24.75%	40,700	17.7%	16,200	7.0%
Rotherham	23,300	21.51%	19,400	17.9%	3,900	3.6%
Barnsley	21,000	20.88%	17,800	17.7%	3,200	3.2%
Doncaster	22,400	17.71%	19,200	15.2%	3,200	2.6%
South Yorkshire average	123,600	21.9%	97,100	17.2%	26,500	4.7%
Bassetlaw	7,600	15.90%	6,200	12.9%	1,400	3.0%
Bolsover	6,000	18.19%	4,900	15.0%	1,000	3.2%
Chesterfield	10,800	23.15%	9,400	20.1%	1,400	3.1%
North East Derbyshire	8,800	20.39%	7,800	18.1%	1,000	2.2%
Derbyshire Dales	3,700	12.15%	1,300	4.3%	2,400	7.8%
City Region Average	160,500	20.94%	126,700	16.5%	33,800	4.4%
England	3,903,600	17.69%	2,079,800	9.4%	1,823,800	8.3%

(Source: 2011 Census data in NOMIS 2018)

4.3.1.2 The highest proportions of households living in housing rented from a Local Authority or ALMO (Doncaster and Barnsley) are in Chesterfield (20.1%), North East Derbyshire (18.1%), Rotherham (17.9%), Sheffield and Barnsley (both 17.7%). The lowest proportions are in Derbyshire Dales (4.3%) and Bassetlaw (12.9%).

4.3.1.3 The highest proportions of households living in housing managed by a housing association/registered provider are in Derbyshire Dales (7.8%) and Sheffield (7.0%) and the lowest are in North East Derbyshire (2.2%) and Doncaster (2.6%).

4.3.2 Average affordable rents

4.3.2.1 Table 19 shows the levels of Affordable Rent defined as being up to 80% of market rents. The average Affordable Rent for entry level homes (1 or 2 bedrooms) across the city region is £372 per month, and is ££379 per month (in South Yorkshire, ranging from £433 per month in Derbyshire Dales and £426 per month in Sheffield to £346 in Bolsover and £358 per month in Rotherham. Levels of affordable rent for larger properties (3 and 4 bedrooms or more) are considerably higher. Affordable Rents for 3 Bedroom properties are £550 per month (£512 in South Yorkshire) and for 4-bedroom homes are £752 per month (£759 in South Yorkshire)

Table 19 Affordable rents for homes with 1,2,3 and 4 + beds

	Average Monthly Affordable Rent					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	£323	£402	£363	£507	£894	£464
Doncaster	£338	£400	£369	£461	£682	£424
Rotherham	£322	£394	£358	£477	£621	£418
Sheffield	£374	£478	£426	£602	£839	£528
South Yorkshire average	£339	£419	£379	£512	£759	£459
Bassetlaw	£328	£414	£371	£531	£801	£482
Bolsover	£306	£386	£346	£512	£618	£399
Chesterfield	£339	£416	£378	£563	£611	£444
North East Derbyshire	£326	£418	£372	£605	£745	£463
Derbyshire Dales	£370	£494	£433	£690	£958	£559
City Region Average	£336	£423	£372	£550	£752	£465

(Source: www.rightmove.co.uk; www.home.co.uk; www.zoopla.co.uk 2018)

4.3.2.2 Table 20 below shows the difference between Local Housing Allowance rates and Affordable Rents for properties of different size. It shows that the LHA rate covers the Affordable Rent (and in some cases is higher than the Affordable Rent, in a few others the Affordable Rent is higher than the LHA rate, a difference which would have to be met from benefit or other income.

Table 20 Comparison between Local Housing Allowance rates and Affordable Rents

	Difference between average Affordable Rents and LHA rates			
	1 Bed	2 Bed	3 Bed	4 Bed
Barnsley	£1.86	£5.45	-£15.97	-£19.88
Doncaster	-£0.17	-£0.92	-£18.45	-£37.50
Rotherham	-£5.40	-£5.94	-£18.29	-£28.05
Sheffield	-£8.52	£3.22	-£18.31	-£16.99
South Yorkshire average	-£3.06	£0.45	-£17.76	-£25.61
Bassetlaw	£0.16	£0.36	-£20.29	-£25.84
Bolsover	-£5.93	-£6.23	-£28.80	-£29.36
Chesterfield	-£1.52	-£0.96	-£13.86	-£8.11
North East Derbyshire	-£9.20	-£5.79	-£29.70	-£15.19
Derbyshire Dales	-£2.45	£7.85	-£21.62	-£1.12
City Region	-£3.46	-£0.33	-£15.20	-£12.59

(i.e. Average Affordable Rents for 1 bed properties in Chesterfield are £1.52 less than the LHA rate; average affordable rents in Sheffield are £34 per week higher than the LHA rate)

(Source: Valuation Agency Local Housing Allowance (LHA) rates applicable from April 2018 to March 2019)

4.3.3 **Affordability of affordable rents**

4.3.3.1 Table 21 below shows that an income of £17,286 is required to afford entry level properties at Affordable Rents across the city region and £17,057 is required in South Yorkshire, which equates to 0.7 single average incomes or 1.3 single bottom quartile incomes or 2.4 single bottom 20% incomes.

Table 21 Income needed to afford Affordable Rents and proportion of income taken

	Income needed to afford average Affordable Rent	% of bottom 10% income taken by affordable rent	% of bottom quartile income taken by affordable rent	% average income taken by affordable rent
Barnsley	£17,261	24.8%	21.1%	11.9%
Doncaster	£15,773	26.0%	22.5%	12.6%
Rotherham	£15,564	26.8%	22.1%	12.4%
Sheffield	£19,631	45.3%	38.1%	20.4%
South Yorkshire average	£17,057	32.6%	27.6%	15.3%
Bassetlaw	£17,945	25.8%	20.9%	12.3%
Bolsover	£14,850	26.6%	23.6%	12.7%
Chesterfield	£16,517	26.9%	22.0%	13.0%
North East Derbyshire	£17,231	27.6%	24.0%	11.8%
Derbyshire Dales	£20,802	35.6%	27.1%	11.6%
City Region Average	£17,286	28.6%	24.6%	13.2%

(Source: www.rightmove.co.uk; www.home.co.uk; www.zoopla.co.uk 2018); ASHE, Office for National statistics 2017)

4.3.3.2 The income needed to afford Affordable Rents is higher than average in Derbyshire Dales, Sheffield and Bassetlaw; around average in Barnsley and North East Derbyshire and below average in Chesterfield, Doncaster, Bolsover and Rotherham. Affordable Rents for entry level properties would take:

- 20% or under of average household incomes in all 9 local authority areas.
- 24.6% of bottom quartile household incomes across the city region and 27.6% in South Yorkshire, with the highest proportion in Sheffield and Derbyshire Dales; around the average in North East Derbyshire and Bolsover and lowest in Bassetlaw, Barnsley, Chesterfield, Doncaster and Rotherham.
- 28.6% of bottom 20% household incomes across the city region and 32.6% in South Yorkshire, with the highest proportion in Sheffield and Derbyshire Dales; around average in North East Derbyshire; and lowest in Bassetlaw; Bolsover, Rotherham, Doncaster, Chesterfield and Barnsley. However, the proportion of rents for larger properties is higher

4.3.3.3 This would indicate that Affordable Rents are affordable to all households with average incomes, most households with low (bottom quartile) incomes, but are unaffordable to most households on very low (bottom decile) incomes.

4.3.4 Average social rents

4.3.4.1 Table 22 below shows the levels of social rent. The average social rent is £392 per month across the city region, and £409 per month in South Yorkshire is, ranging from £440 per month in Derbyshire Dales to £358 in Sheffield.

- Average rents for 1 bed homes are £285 per month across the city region and £274 in South Yorkshire and range from £263 per month in Barnsley to £332 per month in North East Derbyshire.
- Average rents for 2 bed homes are £377 per month across the city region and £348 in South Yorkshire and range from £363 per month in Doncaster to £433 per month in Derbyshire Dales
- Average rents for 3 bed homes are £415 per month across the city region and £313 in South Yorkshire and range from ranging from £360 per month in Bolsover to £474 per month in Derbyshire Dales.
- Average rents for 4 bed homes range are 400 per month across the city region and £397 in South Yorkshire and range from £314 per month in Bassetlaw to £461 per month in Barnsley.

Table 22 Social rents for properties by number of bedrooms

	Average Monthly Social Rent				
	1 Bed	2 Bed	3 Bed	4+ Bed	ALL
Barnsley	£263	£310	£417	£461	£387
Doncaster	£279	£363	£409	£399	£364
Rotherham	£267	£368	£382	£325	£368
Sheffield	£289	£351	£381	£451	£358
South Yorkshire average	£274	£348	£313	£397	£409
Bassetlaw	£311	£370	£406	£314	£386
Bolsover	£267	£392	£360	£396	£399
Chesterfield	£253	£406	£457	£355	£414
North East Derbyshire	£332	£404	£450	£446	£413
Derbyshire Dales	£304	£433	£474	£450	£440
City Region Average	£285	£377	£415	£400	£392

(Source: www.gov.uk: SDR 2016-17 Data release: January 2018)

4.3.5 Affordability of Social rents

Table 23 Income needed to afford social rents and proportion of income taken

	Income needed to afford average social rents	% of Gross Weekly household income		
		Bottom 10% income	Bottom 25% income	Average income
Barnsley	£14,403	20.1%	26.8%	12.7%
Doncaster	£13,533	22.7%	24.4%	12.4%
Rotherham	£13,705	23.7%	20.1%	12.8%
Sheffield	£13,331	22.8%	27.0%	11.5%
South Yorkshire average	£13,743	26.3%	24.6%	12.3%
Bassetlaw	£14,376	23.7%	17.7%	12.8%
Bolsover	£14,842	25.3%	27.0%	14.7%
Chesterfield	£15,416	23.5%	20.6%	14.2%
North East Derbyshire	£15,362	27.3%	28.8%	13.2%
Derbyshire Dales	£16,380	30.5%	28.2%	11.8%
City Region Average	£14,594	23.5%	24.4%	12.8%

(Source: www.gov.uk: SDR 2016-17 Data release: January 2018); ASHE; Office for National Statistics 2017)

4.3.5.1 An income of £14,594 is required to afford social rents across the city region and £13,753 is required in South Yorkshire, which equates to 0.6 single average incomes or 1.1 single bottom quartile incomes or 1.3 single bottom 20% incomes (See Table 23 above). Average social rents would take

- Under 15% of an average household income in all 9 local authority areas, (substantially less than the 33% benchmark of affordability).
- 24.4% of bottom quartile household incomes across the city region and 24.6% in South Yorkshire, again well under the benchmark for affordability) with the proportion of income taken highest in Derbyshire Dales, North East Derbyshire; around average in Sheffield, Doncaster, Bassetlaw, Bolsover and Barnsley, and lowest in Rotherham and Chesterfield.
- 23.5% of bottom 20% household incomes across the city region and 26.3% in South Yorkshire, again well below the benchmark for affordability with the proportion of income taken highest in Derbyshire Dales, North East Derbyshire and Bolsover; around average in Chesterfield, Rotherham and Bassetlaw, and lowest in Barnsley, Sheffield and Doncaster.

4.3.5.2 This would indicate that Social Rents are generally affordable to all households but rents in some areas and for larger properties are close to the limit of affordability.

4.3.6 Summary of findings – Rental Market

4.3.6.1 The proportion of households renting across the city region, and in South Yorkshire is lower than the regional and national average. However, while the proportion renting privately is lower than the regional and national average, the proportion living in social rented housing is higher.

4.3.6.2 Market rents for entry level properties are affordable to households earning above bottom quartile incomes although rents for larger properties and in certain areas would be unaffordable to households on the lowest incomes. Market rents are most affordable in Barnsley, Chesterfield, Doncaster and Rotherham and least affordable in Derbyshire Dales, Sheffield, North-East Derbyshire, Bolsover and Bassetlaw.

4.3.6.3 There is a considerable difference between market rents and the Local Housing Allowance rate set. This is due to the LHA rate being set at the 30th percentile for rents. However, only 13% of advertised lettings across the city region and 9% in South Yorkshire are available at rents at the LHA rate or below. This has implications for the ability of households wholly or partially dependent on benefits to afford their housing costs.

4.3.6.4 Affordable Rents for entry level properties are affordable to most households but affordable rents for family size homes may be unaffordable to households on the lowest incomes. Affordable Rents are least affordable in Sheffield, and North East Derbyshire; and most affordable in Rotherham, Doncaster, Chesterfield and Barnsley. Affordable Rents are covered by the LHA rate and in most cases are less than the LHA rate.

4.2.3.3 Social rents are generally affordable to all households but rents for larger properties may be less so. Social rents are most affordable in Barnsley, Sheffield and Doncaster and least affordable in North East Derbyshire; Bolsover, Derbyshire Dales and Bassetlaw.

5 Summary of social, employment and housing drivers to housing growth

5.3 Social drivers

- 5.3.4 *There have been* marked changes in the numbers and proportions of older people which look set to continue to create a much larger aging population. This is likely to lead to future pressure on housing aimed at older people and may require a different approach to meeting their housing needs. Many people as they get older will be able to live independently but may require the opportunity to move to a smaller, more affordable home. For the very old, there is likely to be a requirement for specialist housing offering extra care and support to dementia.
- 5.3.5 The proportion of people aged 16 to 25 in the city region has increased over time and if this trend were to continue it may indicate both an increasing demand for smaller housing for rent and for housing for sale from first-time buyers.
- 5.3.6 The trends in the numbers of people of family building age and changes in the proportion of families indicate variable future demand for family housing. However, it is likely that there will be a demand from ‘second stagers’ –younger families seeking their second home, and a continuing demand from more mature families seeking to trade up to meet the needs of growing families.
- 5.3.7 There has been a diversification of the population in the city region with a growing BME population which will bring increasing demand for housing and a need for provision to be of an appropriate mix to enable their housing requirements to be met.

5.4 Employment drivers

- 5.4.4 Analysis of 2011 Census data shows there to be significantly fewer working people in professional or managerial occupations compared to the national average, a similar but slightly larger proportion of people in intermediate occupations and a significantly higher proportion of people working in routine or unskilled occupations
- 5.4.5 Estimates of future growth in the SCR predict that there will be just over 23,000 new jobs in the City Region by 2020 and the SEP has plans to increase the number of higher skilled and higher paid professional, knowledge based and digital jobs,
- 5.4.6 Professional, managerial and associate professional and technical occupations are predicted to grow by between 2.7%,3.2% and 2.9% respectively. Average salaries for such jobs are upwards of £20,000 – £25,000. Such income levels will be enough to afford mortgage payments, market, Affordable and social rents. (especially if combined with others in a household income)
- 5.4.7 Intermediate occupations are predicted to increase by between 2.4% (skilled trades) and 3.4% (caring, leisure and other service occupations). Average salaries for such jobs are between £17,000 and £24,000. Such income levels will be enough to afford mortgage payments and market and affordable rents in some parts of the city region.

- 5.4.8 Routine and unskilled jobs are also predicted to rise with elementary occupations growing by 3.9% (following the large increase 8.5% between 2010 and 2015) and process, plant and machine jobs by 2.1%. Average salaries for such jobs are between £15,000 to £18,000 and income levels at the bottom of this range would be insufficient to afford mortgage payments and a large proportion of rented housing available.
- 5.4.9 A range of housing needs to be available that will be attractive to households with larger incomes in higher paid jobs who may be considering moving to the city region, and to enable aspirational movement for those in higher paid jobs already resident in the city region.
- 5.4.10 The city region is struggling to attract young workers from urban areas outside the city region boundaries. and retain what appears to be a large qualified labour force upon completion of university in Sheffield. There is some evidence that “young urban renters”, who often generate ideas and bring spending power, appear to be in short supply and concentrated around a small part of Sheffield centre and in some areas of Doncaster and Chesterfield in proximity of the rail stations. It is viewed as being desirable to attract and/or retain (post-university) more of these people in the city region.¹⁹
- 5.4.11 The number of people in lower paid intermediate jobs and low paid routine and unskilled occupations remains substantial and looks likely to increase. The housing offer across the city region needs to cater for the needs of such workers as well as providing attractive housing for people in higher paid and value jobs.
- 5.4.12 There are indications that while housing costs are lower than in many other areas locally and nationally, affordability of housing is becoming an increasing issue, and this along with the burdens of meeting mortgage requirements and the high relative costs of renting, could deter households taking up jobs at below average incomes.
- 5.4.13 There is a clear intention to encourage social inclusion but if the rented housing supply is insufficient and too highly priced then this may act as a powerful barrier to people moving off benefits to take up low-paid employment and may hinder labour and social mobility for people on low incomes.

5.5 Housing supply and demand drivers

- 5.5.4 There appears to be a relatively healthy balance of tenures across the city region. Levels of home ownership across the city region are perhaps higher than may be expected with proportions of households that are homeowners higher than the national average in 7 of the 9 local authority areas. While levels of social renting are higher than the national average proportions of households in private renting is lower
- 5.5.5 While the affordability ratio for entry level prices are 3.1 times average incomes, they are 5.9 times a bottom quartile income and 10.8 times a bottom 20% income. However, while house prices have risen, and affordability ratios are high in many parts of the city region, mortgage payments are largely affordable to average earners and many lower paid households.

¹⁹ Sheffield City Region Economic and spatial data analysis March 2017

- 5.5.6 Access to home ownership is still being hindered by mortgage lending requirements and the burden of saving for the deposit required to secure a mortgage. A deposit of £17,000 is required to secure a mortgage for an entry level home which it could take 5 years for a household on average income to save, and 16 years for a household with bottom quartile incomes. Many mechanisms to assist home ownership (Shared ownership, Help to Buy, Rent to Buy, Starter Homes and housing for discounted sale) while offering a route into home ownership for some, are still unaffordable to lower earners.
- 5.5.7 In line with national needs and trends there appears to be a need for substantial new housebuilding (around 6,500 new homes per year) to cater for household growth and the economic and employment growth envisaged in the city region Strategic Economic Plan. This building needs to provide both aspirational housing that can be attractive to incoming households and lower cost home ownership options to attract first time buyers onto the market.
- 5.5.8 There is a clear shortage of affordable housing for rent across the City Region which has resulted in highly limited options for meeting the housing needs and requirements of households on very low and low incomes,
- 5.5.9 The supply of social rented housing has not kept pace with demand while there are concerns over the impact of the bedroom tax (Spare room subsidy) both in terms of the impact of the additional rent that those unable to 'downsize' would be required to pay, and in terms of the ability of the stock mix to enable households affected by the bedroom tax to move to smaller (usually 1 bedroom) housing.
- 5.5.10 Market rented housing and housing at Affordable Rents (80% market rents) is very often unaffordable, and in some cases even housing managed by Registered Providers and let at social rents may be unaffordable to those on the lowest incomes in work. This may hinder opportunities to take up certain jobs or move jobs, and a danger of compromising aims to help households move from benefit dependency into work, if pay levels are insufficient to afford housing costs.
- 5.5.11 A substantial increase in provision, in the region of 3,400 new affordable homes per year, appears to be required, in a mixture of social and affordable rent and intermediate housing options.

6 Provisions to meet economic, employment growth, housing and social needs

6.3 *Housing for households with average incomes*

- 6.3.4 Households with average incomes seeking work would be seeking housing that is affordable and attractive. Single person households or couples without children seeking employment may be deterred from a perceived lack of attractive housing aimed at their requirements, and comment has been made on the relative lack of 'young urban renters'²⁰
- 6.3.5 Alternatively, many of those seeking to become homeowners are being deterred by the difficulties in accumulating the deposit required by lenders in order to secure a mortgage.
- 6.3.6 Many of those living in the city region will be well housed or will meet their requirements and aspirations within the existing housing market. However, other provisions should be considered to ensure that such households do not move elsewhere to meet their requirements due to a lack of an attractive and affordable option within the city region.
- 6.3.6.1 New build properties for sale at market prices (see Section 3.6) could be affordable for properties priced at up to £250,000 with a 15% deposit or up to £200,000 with a 10% deposit.
- 6.3.6.2 Discounted sale or Starter Homes could provide an option for average earners if priced at £200,000 or below (See section 3.7). Given the relatively lower house price levels in many parts of the city region, a new build home discounted by 20% of market prices would be likely to be affordable to average earners. Again, however, that the ability of average earning households to take up either option will depend in the short to medium term on their ability to accumulate the required deposit
- 6.3.6.3 Help to buy schemes (see section 1.4.4.2 a) attached to new housebuilding could help first time buyers to overcome deposit difficulties in accumulating deposits and enable access to home ownership.
- 6.3.6.4 Low cost Shared Ownership have not proved to be historically attractive partly due to the perceived complexity of the arrangement and partly due to the combination of ownership and renting. However, could provide an option for average earning households especially in more attractive and higher priced parts of the city region. (See Section 3.8). An equity share of 25% would be affordable for properties priced at up to £300,000; an equity share of 40% would be affordable for properties priced at up to £300,000; an equity share of 50% would be affordable for properties priced at over £275,000, and an equity share of 75% would be affordable for properties priced up to £225,000.
- 6.3.6.5 Rent to buy provisions (See section 1.4.4.2 b) could also offer an option to enable households on average incomes to take up home ownership, especially given the affordability of market rent levels to average earners. It could be attractive to households with incomes at the bottom of the scale of average incomes who may need time to accumulate a deposit.

²⁰ Sheffield City Region Economic and spatial data analysis March 2017

6.3.6.6 Housing at intermediate rents / Affordable Rents (between social and market rents) would be affordable to households on average incomes (See Section 4.2.3) and may be attractive especially in areas with higher market rents. Such housing may be a viable option (provided schemes built were of good design and well-located) in Sheffield City Centre and other town centres and could be aimed at younger professional households on average incomes. Such housing could be provided by way of 'Build to rent' provisions, as well as by Registered Providers. In addition, such provision by Registered Providers could provide an income stream that could cross-subsidise additional social rented and supported housing provisions.

6.4 *Housing for households with low incomes (bottom quartile)*

6.4.4 Households with bottom quartile incomes seeking work would also be seeking housing that is affordable and attractive. Low income families low income single people and couples without children seeking employment may be deterred by a perceived lack of available and affordable housing aimed at their requirements, and those seeking to become homeowners may be deterred by the difficulties in accumulating the deposit required by lenders in order to secure a mortgage, or may be unable to afford mortgage payments in some higher priced parts of the city region.

6.4.5 Again, many of those households on low incomes currently living in the city region will be well housed or will meet their requirements and aspirations within the existing housing market. However, other provisions should be considered to ensure that such households do not move elsewhere to meet their requirements due to a lack of an attractive and affordable option within the city region.

6.4.5.1 New build properties for sale at market prices (see Section 3.6) could be affordable for properties priced at up to £150,000 with a 15% deposit or up to £125,000 with a 10% deposit.

6.4.5.2 Discounted sale or Starter Homes could provide an option for average earners if priced at between £75,000 and £100,000 (See section 3.7). Given the relatively lower house price levels in many parts of the city region, a new build home discounted by 20% of market prices could be affordable to bottom quartile earners. Again, however, that the ability of such households to take up either option will depend in the short to medium term on their ability to accumulate the required deposit and their ability to afford mortgage payments.

6.4.5.3 Help to buy schemes (see section 1.4.4.2 a) attached to new housebuilding could help first time buyers to overcome deposit difficulties in accumulating deposits and enable access to home ownership.

6.4.5.4 Low cost Shared Ownership could provide a viable option for households on bottom quartile incomes in many parts of the city region, but again, especially in the higher priced areas. An equity share of 25% would be affordable for properties priced at up to £300,000; an equity share of 40% would be affordable for properties priced at up to £225,000 and an equity share of 50% would be affordable for properties priced at up to £175,000. An equity share of 75% would not be affordable currently.

6.4.5.5 Rent to buy provisions (See section 1.4.4.2 b) could again offer an option to enable households on bottom quartile incomes to take up home ownership, especially given the relative affordability of market and Affordable Rent levels to households on bottom quartile incomes, and would give such households time to accumulate a deposit.

6.4.5.6 Housing at intermediate rents / Affordable Rents (between social and market rents) would be affordable to households on bottom quartile incomes (See Section 4.2.3) and may be attractive especially in areas with higher market rents. Such housing may be a viable option (provided schemes built were of good design and well-located) in Sheffield City Centre and other town centres and could be aimed at younger city and town centre workers in intermediate occupations on below average incomes. Such housing could be provided by way of 'Build to rent' provisions, as well as by Registered Providers.

6.4.5.7 Social rented housing would be affordable to households on bottom quartile incomes and would provide the most sustainable tenure for such households, many of whom may have incomes that are not fully secure.

6.5 ***Housing provisions households with very low incomes (bottom 20%)***

6.5.4 Households on very low incomes may have difficulties in maintaining work if income while in work is insufficient to properly afford housing costs as well as other essential expenditure. Evidence presented in Sections 3 and 4 suggest that housing options are extremely limited for such households. Home ownership is largely unattainable and unaffordable as mortgage payments would take on average 60% of household income (more in higher priced areas) and deposits for entry level housing would take on average 18 years to accumulate. Market rents take on average 56% of household income and more in higher rent areas, while Affordable Rents would take 45% of household income and would require partial housing benefit to make them affordable. Average social rents would take on average 43% of household income and more in some parts of the city region (over 50% in Bolsover and North East Derbyshire), although 1 and 2 bed housing would be more affordable with rents taking 37% of household income on average. Again, entitlement to partial housing benefit would improve the affordability.

6.5.5 For households reliant on benefits, options are limited. Market rented housing is likely to be unaffordable as coverage of rent paid by housing benefit is limited by the setting of the Local Housing Allowance rates at the 30th percentile of rents. As a result the difference between LHA rates and average market rents is considerable and probably unaffordable to benefit claimants. As shown in Section 4.2.2.1, average affordable Rents are closer to LHA rates but there are still significant differences especially for larger properties, which have implications for households in need of such housing.

6.5.6 Additionally, once benefit claimants move into work, they would most likely be in an occupation with an income insufficient to properly afford housing costs without compromising other areas of spending (utility bills, internet connection, food and clothing and travel).

6.5.7 Given current housing market conditions, housing options for households on very low incomes are limited.

- 6.5.7.1 Social rented housing would provide the most viable form of housing provision even though in some parts of the city region rents take up a % of income higher than the 'affordability benchmark' and availability is limited as social housing is in very high demand. Receipt of partial housing benefit may help affordability but continuation of such assistance after rollout of Universal Credit is unclear.
- 6.5.7.2 intermediate rent and Rent to Buy may be affordable at the higher end of bottom 20% income range and may offer options if higher paid work were to be gained.
- 6.5.7.3 Taking up the Right to Buy may offer options for existing council tenants if the discount were large enough and mortgage payments, given current mortgage rates, may be in line with at least Affordable Rent levels.

6.6 Housing provisions for older people

- 6.6.4 The increasing numbers and proportions of older people look set to continue which will create a much larger aging population and future pressure on housing aimed at older people. Evidence presented in Section 3 and Appendix x shows that as many as three-quarters of households are living in housing too large for their needs, but can live independently and may be seeking to downsize into smaller housing. Also, the increasing numbers of people over 85 will include many who are likely to be frail and in need of housing with extra care and support.
- 6.6.5 It is likely that a different approach to meeting their housing need maybe required involving a mixture of home purchase, shared ownership, retirement housing of mixed tenure and specialist housing.
 - 6.6.5.1 A smaller new build property may be an attractive option. Given the data on housing preferences identified in the review of Strategic Housing Market Assessments presented in section 2, there is a question over smaller properties should be bungalows or flats. Newly built housing offered on a Shared Ownership basis may also be attractive. Alternatively, retirement housing with a mixture of tenures could also provide an option.
 - 6.6.5.2 Some may consider buying somewhere smaller in the existing housing market, although the review of SHMAs does suggest that there may be questions over the availability of suitable smaller housing.
 - 6.6.5.3 Some may consider selling up and moving to rented housing, although market rents would probably be higher than their current mortgage payments, and the provision would need to be of a type and quality avoiding any danger of appearing to be 'institutional'
 - 6.6.5.4 For others, the level of care and support needs of the very old may require the development of Extra Care housing to provide suitable housing and care and support services to meet specific needs, especially dementia.

6.7 Housing provisions for young single people and couples

- 6.7.4 There has been an increase in the proportion of people aged 16 to 25 which looks likely to continue. Many younger households however, have been experiencing difficulties in meeting their housing needs and preferences.
- 6.7.5 There would appear to be a relatively low numbers of young professional households living and remaining in the city region (See Sections 3 and 5). It would also appear that it has proved difficult to persuade graduates to remain in the area. Reasons for this are unclear but may be explained by a lack of an attractive or affordable housing offer for such households.
- 6.7.6 Also, young would be first time buyers are finding it difficult to access home ownership mainly due to difficulties in accumulating the deposit required to secure a mortgage (especially without access to financial support from family).
- 6.7.7 There is a lack of affordable options for young people on low or very low incomes as the supply and availability of social rented housing is limited, and market rents are often unaffordable.
- 6.7.8 Younger households could find the range of options outlined above for average and bottom quartile income earners attractive.
- 6.7.8.1 Encouragement to young households wanting to become homeowners could be given through Help to buy schemes and Low-cost Shared Ownership, especially in the higher priced areas. (See above). Rent to buy provisions could be attractive to younger couples or families on lower incomes..
- 6.7.8.2 Housing at intermediate rents / Affordable Rents (between social and market rents) may be affordable to younger people on low to average incomes and may be attractive especially in areas with higher market rents, or in Sheffield City Centre and other town centres. Such housing could be again, provided by way of 'Build to rent' provisions, as well as by Registered Providers. Social rented housing would provide affordable rented housing especially to younger people on low incomes.

7 Conclusions

- 7.3 Sheffield City Region has the image of a housing market dominated by cheap rented housing, but, there is a great diversity of housing, a higher level of home ownership than the national average in 7 of the 9 local authority areas, matched with a higher than average proportion of social rented housing and a sizeable private rented sector
- 7.4 Housing costs are lower than other parts of the country, but levels of house prices and rents vary significantly across the city region and within each local authority area, and some areas have very high prices and rents. House prices are highest in Derbyshire Dales, North East Derbyshire and Bassetlaw; around average in Chesterfield and Sheffield and lowest in Barnsley, Bolsover, Doncaster and Rotherham. Market rents are highest in Derbyshire Dales, Sheffield and Bassetlaw; around average in Bolsover, North-East Derbyshire and Barnsley and lowest in Chesterfield, Doncaster and Rotherham
- 7.5 Affordability is variable. Mortgage payments are affordable not only to high earners but also to those on average incomes, and many of those on bottom quartile incomes too. However, even for average earners and those on the higher end of bottom quartile incomes, the home ownership market continues to be limited by the lending policies still in place following ‘the crash’ in 2008 and the levels of deposit demanded by lenders to secure a mortgage.
- 7.6 Market rents and Affordable Rents for smaller ‘entry level’ homes are affordable to most households, but larger properties are unaffordable to those on the lowest income, with rents taking up a relatively high proportion of income higher, often considerably, than the benchmark for affordability.
- 7.7 Affordability is a significant issue those in lower paid employment and while housing costs are affordable to most households with a dual or multiple income, including those on low or very low incomes, they are not affordable for many of those reliant on a single income. In addition, many households with a dual income are in a precarious financial position as loss of one of the household incomes could result in inability to meet housing costs and other household essentials. An inability to properly afford housing costs could compromise ability to sustain employment, especially lower paid employment
- 7.8 Those on benefits have limited housing options open to them. Gaining access to social housing is limited by the shortage of available lettings, while there is a considerable difference between the actual level of average market rents and the Local Housing Allowance rate, due to the LHA rate being set at the 30th percentile for rent. However, Only 13% of advertised private rented lettings are available at rents at the LHA rate or below, effectively forcing many households reliant on benefit into rented homes where they have to pay for the rent not met by housing benefit set at the LHA rate. This has implications for their ability to meet other essential household expenditure, and their ability to move into employment as a movement from benefit support onto a low working income is accompanied by reduction in housing benefit and the requirement to meet significantly higher housing costs along with other essential aspects of expenditure.

- 7.9 There is a clear need to deliver substantial housing growth, with a need for around 6,500 new homes to be built each year to meet household growth and support the employment and economic growth envisaged in the city region Strategic Economic Plan. Some of these will need to be able to meet ‘aspirational needs’ of those taking up the high value jobs that will be created and other ‘aspirational working households, while some will need to cater for the needs of those taking up the lower paid jobs that will also be created, and fulfilling those lower paid jobs already contributing to the efficient running of a range of businesses and industries.
- 7.10 There appears to be an acute shortage of affordable housing in all nine local authority areas, and around 3,400 new affordable homes per year are needed across the city region, of which approximately three-quarters need to be for social or affordable rent.
- 7.11 Some specific areas of housing need are also emerging both from the increasing number of older people and the projected increase in the numbers of younger single persons and childless couples.
- 7.12 There are a range of housing options that could be deployed to help address housing needs relating the range of household income and changing social composition, and to ensure that the housing offer is of a type, mix and quality enough to attract people to take up employment and live and remain in the city region. That will mean ensuring provision of ‘aspirational’ housing alongside a significantly enhanced provision of affordable housing
- 7.13 To encourage home ownership, it is important that a proportion of new build housing for sale is offered at process affordable to households other than those on high incomes. Starter Homes and Low-Cost Shared Ownership could help provide such encouragement. Also, some assistance with accumulating deposits seems to be needed and Help to Buy offers such assistance. Consideration of Rent to Buy schemes could also help some households gain access to home ownership.
- 7.14 Further encouragement of good quality rented housing with reasonable security and stability and affordable rents can help provide for the needs of younger households and families on low incomes unable to afford home ownership. There is a clear need for more social rented housing for those on low and very low incomes, but intermediate/Affordable Rented housing also needed to cater for the needs of those on around average incomes unable to buy.
- 7.15 There is a need to consider encouragement of a range of housing options to meet the differing needs of people as they get older. This could include smaller housing for sale or rent to encourage downsizing and possibly mixed tenure retirement housing. Extra care housing will be needed for the increasing proportion of those very old and frail.
- 7.16 There is a need to consider how to provide a housing offer that is attractive to young professional households to persuade them to remain in the city region or move inwards to take up the higher value jobs that it is the intention to create.

Appendices

Appendix A Drivers to housing growth

- A1 Occupations within each local authority area
- A2 Income levels within each local authority area
- A3a Housing need for each local authority area
- A3b Types of new housing needed
- A4 Changes in household types 2001 – 2011
- A5 Changes in Age structure 2001 – 2011
- A6 Changes in Ethnic origin in each local authority area 2001 – 2011
- A7 Under-occupation and overcrowding

Appendix B House Prices and Affordability

- B1 Average prices for homes with 1,2,3 and 4 + beds and incomes needed to afford
- B2 Affordability Ratios for average, bottom quartile and bottom 20% household incomes for homes with 1,2,3 and 4 + beds
- B3 Deposits required to secure 85% mortgage for properties for sale and years required to save
- B4 Distribution of advertised prices of newly-built housing for sale
- B5 Affordability of mortgage payments for homes with 1,2,3 and 4 + beds

Appendix C: Rental market: Supply and Affordability

- C1 Household income needed to afford market rents for 1,2,3 and 4 bed properties
- C2 Proportion of average, bottom quartile and bottom 20% household incomes taken by market rents for homes with 1,2,3 and 4+ bedrooms
- C3 Household income needed to afford affordable rents for homes with 1,2,3 and 4 + bedrooms
- C4 Proportion of average, bottom quartile and bottom 20% household incomes taken by affordable rents for homes with 1,2,3 and 4+ bedrooms
- C5 Household income needed to afford social rents for homes with 1,2,3 and 4 + bedrooms
- C6 Proportion of average, bottom quartile and bottom 20% household incomes taken by social rents for homes with 1,2,3 and 4+ bedrooms
- C7 Impact of housing costs on households with a single income

Appendix A Economic, housing and Social Drivers

A1 Occupations

	Managerial		Intermediate		Unskilled		<i>All Working</i>
Barnsley	39,000	35.4%	47,800	43.3%	23,500	21.3%	110,300
Doncaster	47,500	34.8%	54,800	40.1%	34,300	25.1%	136,600
Rotherham	41,300	33.7%	52,900	43.2%	28,300	23.1%	122,500
Sheffield	130,300	47.8%	92,800	34.0%	49,600	18.2%	272,700
South Yorkshire average	258,100	40.2%	248,300	38.7%	135,700	21.1%	642,100
Bassetlaw	16,700	31.9%	23,000	43.9%	12,700	24.2%	52,400
Bolsover	11,200	30.4%	15,700	42.7%	9,900	26.9%	36,800
Chesterfield	19,500	41.7%	22,300	47.6%	5,000	10.7%	46,800
North East Derbyshire	19,600	41.1%	18,900	39.6%	9,200	19.3%	47,700
Derbyshire Dales	20,900	60.6%	9,800	28.4%	3,800	11.0%	34,500
City Region Average	346,000	40.2%	338,000	39.3%	176,300	20.5%	860,300

(Source Annual Survey of Population: Office for National Statistics 2017)

Managerial = Managers, directors and senior officials, Professional occupations and Associate professional & technical occupations
 Intermediate = Administrative & secretarial, skilled trades, caring, leisure and other service and sales and customer service occupations.
 Unskilled = Process plant & machine operatives and elementary occupations

A2 Income levels 2017

Weekly household income	Bottom 20%	Bottom 25%	Average	Monthly household income	Bottom 10%	Bottom 25%	Average	Annual household income	Bottom 20%	Bottom 25%	Average
Sheffield	£324.00	£385.35	£720.90	Sheffield	£1,404	£1,670	£3,124	Sheffield	£16,848	£20,038	£37,487
Rotherham	£309.00	£374.10	£666.75	Rotherham	£1,339	£1,621	£2,889	Rotherham	£16,068	£19,453	£34,671
Doncaster	£327.00	£377.50	£677.85	Doncaster	£1,417	£1,636	£2,937	Doncaster	£17,004	£19,630	£35,248
Barnsley	£337.50	£397.35	£702.90	Barnsley	£1,463	£1,722	£3,046	Barnsley	£17,550	£20,662	£36,551
South Yorkshire	£324.38	£383.58	£692.10	South Yorkshire	£1,406	£1,662	£2,999	South Yorkshire	£16,868	£19,946	£35,989
Bolsover	£300.00	£338.40	£627.30	Bolsover	£1,300	£1,466	£2,718	Bolsover	£15,600	£17,597	£32,620
Bassetlaw	£331.50	£409.05	£697.50	Bassetlaw	£1,437	£1,773	£3,023	Bassetlaw	£17,238	£21,271	£36,270
Chesterfield	£324.00	£396.90	£672.00	Chesterfield	£1,404	£1,720	£2,912	Chesterfield	£16,848	£20,639	£34,944
North East Derbyshire	£310.50	£357.75	£724.65	North East Derbyshire	£1,346	£1,550	£3,140	North East Derbyshire	£16,146	£18,603	£37,682
Derbyshire Dales	£280.50	£369.00	£860.10	Derbyshire Dales	£1,216	£1,599	£3,727	Derbyshire Dales	£14,586	£19,188	£44,725
Sheffield City Region	£325.50	£378.38	£705.55	Sheffield City Region	£1,411	£1,640	£3,057	Sheffield City Region	£16,926	£19,676	£36,689
<i>Yorkshire and Humber</i>	<i>£331.50</i>	<i>£400.05</i>	<i>£719.55</i>	<i>Yorkshire and THumber</i>	<i>£1,437</i>	<i>£1,734</i>	<i>£3,118</i>	<i>Yorkshire and Humber</i>	<i>£17,238</i>	<i>£20,803</i>	<i>£37,417</i>
<i>United Kingdom</i>	<i>£357.00</i>	<i>£426.00</i>	<i>£808.85</i>	<i>United Kingdom</i>	<i>£1,547</i>	<i>£1,846</i>	<i>£3,505</i>	<i>United Kingdom</i>	<i>£18,564</i>	<i>£22,152</i>	<i>£42,060</i>
<i>England</i>	<i>£358.50</i>	<i>£429.60</i>	<i>£820.50</i>	<i>England</i>	<i>£1,554</i>	<i>£1,862</i>	<i>£3,556</i>	<i>England</i>	<i>£18,642</i>	<i>£22,339</i>	<i>£42,666</i>
Weekly single income	Bottom 20%	Bottom 25%	Average	Annual single income	Bottom 20%	Bottom 25%	Average	<i>Savings (10% of annual income)</i>	<i>Bottom 201%</i>	<i>Botthom 25%</i>	<i>Average</i>
Sheffield	£216.00	£256.90	£480.60	Sheffield	£11,232	£13,359	£24,991	Sheffield	£1,685	£2,004	£3,749
Rotherham	£206.00	£249.40	£444.50	Rotherham	£10,712	£12,969	£23,114	Rotherham	£1,607	£1,945	£3,467
Doncaster	£218.00	£251.67	£451.90	Doncaster	£11,336	£13,087	£23,499	Doncaster	£1,700	£1,963	£3,525
Barnsley	£225.00	£264.90	£468.60	Barnsley	£11,700	£13,775	£24,367	Barnsley	£1,755	£2,066	£3,655
South Yorkshire	£216.25	£255.72	£461.40	South Yorkshire	£11,245	£13,297	£23,993	South Yorkshire	£1,687	£1,995	£3,599
Bolsover	£200.00	£225.60	£418.20	Bolsover	£10,400	£11,731	£21,746	Bolsover	£1,560	£1,760	£3,262
Bassetlaw	£221.00	£272.70	£465.00	Bassetlaw	£11,492	£14,180	£24,180	Bassetlaw	£1,724	£2,127	£3,627
Chesterfield	£216.00	£264.60	£448.00	Chesterfield	£11,232	£13,759	£23,296	Chesterfield	£1,685	£2,064	£3,494
North East Derbyshire	£207.00	£238.50	£483.10	North East Derbyshire	£10,764	£12,402	£25,121	North East Derbyshire	£1,615	£1,860	£3,768
Derbyshire Dales	£187.00	£246.00	£573.40	Derbyshire Dales	£9,724	£12,792	£29,817	Derbyshire Dales	£1,459	£1,919	£4,473
Sheffield City Region	£217.00	£252.25	£470.37	Sheffield City Region	£11,284	£13,117	£24,459	Sheffield City Region	£1,693	£1,968	£3,669
<i>Yorkshire and Humber</i>	<i>£221.00</i>	<i>£266.70</i>	<i>£479.70</i>	<i>Yorkshire and Humber</i>	<i>£11,492</i>	<i>£13,868</i>	<i>£24,944</i>	<i>Yorkshire and Humber</i>	<i>£1,724</i>	<i>£2,080</i>	<i>£3,742</i>
<i>United Kingdom</i>	<i>£238.00</i>	<i>£284.00</i>	<i>£539.23</i>	<i>United Kingdom</i>	<i>£12,376</i>	<i>£14,768</i>	<i>£28,040</i>	<i>United Kingdom</i>	<i>£1,856</i>	<i>£2,215</i>	<i>£4,206</i>
<i>England</i>	<i>£239.00</i>	<i>£286.40</i>	<i>£547.00</i>	<i>England</i>	<i>£12,428</i>	<i>£14,893</i>	<i>£28,444</i>	<i>E(ngland</i>	<i>£1,864</i>	<i>£2,234</i>	<i>£4,267</i>

(source: Annual Survey of Hours and Earnings: ONS 2017)

A3a Comparison of Government assessment of new housing needed and needs from local plans across Sheffield City Region

Local Authority	MHCLG Indicative Assessment of Need (Sept 2017)	Requirement in Adopted/ Emerging Plans (July 2018)	Under/ over supply	% Difference
Barnsley	898	1,100	202	22%
Doncaster	585	920	335	57%
Rotherham	593	850	257	43%
Sheffield	2,093	2,095	2	0%
South Yorkshire	4,169	4,965	796	19%
Bassetlaw	324	435	111	34%
Bolsover	244	272	28	11%
Chesterfield	252	244	-8	-3%
North East Derbyshire	276	330	54	20%
Derbyshire Dales	230	284	54	23%
SCR Total	5,495	6,530	1,035	19%

(Source: Sheffield City Region 2018)

A3b Types of housing required across the Sheffield City Region

Local Authority	Housing Requirement (SHMAs OAN)	% market	% Affordable	Annual Affordable housing requirement	% Affordable Rented	% LCHO/ Intermediate
Barnsley	1,100	73	27	295	79	21
Doncaster	920	72	28	255	75	25
Rotherham	850	72	28	237	72	28
Sheffield	2,095	65	35	725	70	30
South Yorkshire	4,965	71	30	1512	74	26
Bassetlaw	435	66	34	646	78	22
Bolsover	272	66	34	419	78	22
Chesterfield	244	66	34	212	78	22
NEDD	330	66	36	482	78	22
Derbyshire Dales	284	60	40	180	75	25
SCR Total	6,530	67	33	3,431	76	24

(Source:

- (2) *Mix of market and affordable housing, Annual Affordable housing requirements and tenure mix of affordable housing drawn from Local Authority SHMAs)*
- (3) *Local Authority Strategic Housing Market Assessments amended in July 24 2018, reflecting latest version of emerging plans publicly available and discussions between Heads of Planning across the City Region)*

NB:

- 1 There is a marked inconsistency between the overall housing need and affordable housing need for the North East Derbyshire, Bassetlaw, Bolsover and Chesterfield areas. The SHMA identifies a shortfall of 1,760 affordable homes which is higher than the identified overall need for housing (1,281 new homes) but also states that given the role of the private rented sector and the development pipeline, that 430 new affordable homes per year may be enough to meet unmet needs
- 2 There is also a dislocation between the target for affordable housing in Derbyshire Dales (40% and the affordable housing need stated (63% of total need) this suggests that the target may be inconsistent with the stated shortfall.

A4 Changes in the age structure 2001 – 2011

	Under 25s			Family Builders (25 - 44)			Middle aged (45 - 64)			Older (65 - 85)			Very old (Over 85s)		
	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change
Barnsley	9.7%	10.8%	11.3%	29.0%	26.0%	-10.1%	24.8%	27.3%	10.1%	14.5%	15.3%	5.6%	1.7%	2.0%	17.8%
Doncaster	10.1%	11.4%	12.7%	28.2%	26.0%	-7.9%	24.4%	26.7%	9.4%	14.7%	14.8%	0.4%	1.6%	2.1%	30.5%
Rotherham	10.0%	11.0%	10.2%	28.6%	25.4%	-11.1%	24.9%	27.1%	8.9%	13.9%	15.3%	9.8%	1.6%	2.1%	29.9%
Sheffield	13.4%	16.7%	24.8%	28.6%	27.0%	-5.8%	22.5%	22.6%	0.4%	14.3%	13.4%	-6.5%	2.1%	2.1%	2.8%
South Yorkshire	10.8%	12.5%	14.7%	28.6%	26.1%	-8.7%	24.2%	25.9%	7.2%	14.4%	14.7%	2.3%	1.8%	2.1%	20.2%
Bassetlaw	9.4%	10.4%	10.1%	28.3%	24.4%	-13.7%	26.1%	28.8%	10.4%	14.5%	16.3%	12.5%	1.8%	2.3%	28.3%
Bolsover	9.1%	10.5%	15.2%	28.9%	26.0%	-10.2%	24.7%	27.3%	10.3%	15.6%	15.9%	2.0%	1.8%	2.3%	28.1%
Chesterfield	9.4%	10.6%	12.9%	28.7%	25.6%	-10.7%	25.0%	27.7%	10.6%	15.7%	15.9%	1.6%	2.0%	2.7%	32.6%
North East Derbyshire	9.1%	9.8%	7.8%	26.7%	23.1%	-13.6%	27.9%	29.5%	5.7%	16.1%	18.6%	15.4%	1.8%	2.6%	44.0%
Derbyshire Dales	8.1%	8.7%	7.1%	25.7%	20.7%	-19.4%	29.0%	31.7%	9.4%	16.5%	19.2%	16.3%	2.4%	3.1%	26.5%
City Region	10.8%	12.5%	16.6%	28.4%	25.7%	-9.3%	24.5%	26.1%	6.7%	14.7%	15.1%	2.7%	1.9%	2.2%	19.9%

(Source: 2011 Census data in NOMIS: Office of National Statistics 2018)

A5 Changes in Household Composition 2001 – 20114

	SINGLE UNDER 65			SINGLE OVER 65			COUPLE OVER 65			COUPLE WITHOUT CHILDREN			FAMILIES		
	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change
Barnsley	13.9%	18.8%	35.4%	16.3%	13.0%	-20.0%	10.4%	8.8%	-15.0%	18.6%	19.7%	5.8%	40.8%	39.5%	-3.2%
Doncaster	13.4%	19.2%	43.6%	16.4%	12.8%	-21.9%	11.2%	9.0%	-19.6%	18.6%	18.7%	0.5%	40.5%	40.2%	-0.7%
Rotherham	13.6%	17.7%	29.7%	15.6%	13.2%	-15.5%	10.4%	9.4%	-9.8%	19.0%	19.2%	1.0%	41.4%	40.5%	-2.1%
Sheffield	17.1%	25.9%	51.0%	17.5%	12.6%	-28.2%	10.5%	8.0%	-23.2%	17.6%	17.0%	-3.3%	37.2%	36.4%	-2.4%
South Yorkshire	14.5%	20.4%	40.6%	16.5%	12.9%	-21.6%	10.6%	8.8%	-17.0%	18.4%	18.6%	1.1%	40.0%	39.2%	-2.1%
Bassetlaw	13.7%	17.7%	29.0%	15.4%	13.0%	-15.8%	11.3%	10.1%	-10.8%	21.0%	21.1%	0.7%	38.6%	38.0%	-1.5%
Bolsover	12.9%	18.3%	41.2%	16.5%	13.4%	-18.4%	11.2%	9.3%	-17.1%	20.4%	20.4%	-0.3%	38.9%	38.5%	-1.1%
Chesterfield	16.4%	22.0%	34.1%	17.2%	13.5%	-21.7%	11.0%	9.2%	-16.2%	18.6%	19.3%	4.1%	36.8%	35.8%	-2.6%
North East Derbyshire	12.9%	16.3%	26.2%	17.2%	14.0%	-18.4%	12.9%	11.8%	-8.9%	20.7%	20.6%	-0.7%	36.2%	37.2%	2.6%
Derbyshire Dales	11.9%	16.4%	38.4%	16.2%	15.1%	-6.5%	12.1%	12.2%	0.5%	20.6%	21.9%	6.5%	39.3%	34.3%	-12.8%
City Region	14.7%	20.7%	41.1%	16.6%	13.1%	-21.4%	10.9%	9.1%	-16.2%	18.8%	18.9%	0.5%	39.1%	38.1%	-2.4%

(Source: 2011 Census data in NOMIS: Office of National Statistics 2018)

A6 Changes in Ethnic origin in each local authority area 2001 – 2011

	White British			European			Mixed			Asian			Chinese			African/Caribbean		
	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change	2001	2011	% change
Barnsley	98.1%	96.1%	-2.1%	1.9%	1.8%	-3.7%	0.3%	0.7%	103.3%	0.3%	0.6%	93.8%	0.2%	0.3%	64.9%	0.4%	0.5%	46.7%
Doncaster	96.5%	91.8%	-4.8%	1.6%	3.4%	107.7%	0.6%	1.1%	79.1%	1.1%	2.2%	107.6%	0.3%	0.6%	148.1%	0.4%	0.8%	111.3%
Rotherham	95.9%	91.9%	-4.2%	3.8%	1.7%	-56.2%	0.5%	1.0%	103.4%	2.2%	4.1%	83.9%	0.2%	0.5%	122.4%	0.5%	0.8%	69.8%
Sheffield	89.2%	80.8%	-9.3%	2.2%	2.8%	27.7%	1.6%	2.4%	50.0%	4.6%	8.2%	80.4%	0.8%	2.1%	147.4%	1.8%	3.6%	104.0%
South Yorkshire	94.9%	90.2%	-5.0%	2.4%	2.4%	1.7%	0.8%	1.3%	70.4%	2.0%	3.8%	85.4%	0.4%	0.9%	133.7%	0.7%	1.4%	92.5%
Bassetlaw	97.3%	94.5%	-2.8%	1.6%	2.9%	76.7%	0.5%	0.9%	75.7%	0.5%	1.0%	109.7%	0.2%	0.3%	66.5%	0.3%	0.5%	53.6%
Bolsover	98.3%	96.3%	-2.0%	2.1%	1.8%	-10.4%	0.3%	0.7%	119.7%	0.3%	0.6%	84.3%	0.1%	0.2%	64.6%	0.3%	0.4%	37.3%
Chesterfield	96.7%	94.9%	-1.9%	2.1%	1.7%	-21.4%	0.7%	1.1%	58.3%	0.6%	1.2%	122.5%	0.3%	0.4%	32.1%	0.3%	0.8%	134.9%
NE Derbyshire	98.0%	96.9%	-1.1%	16.5%	1.1%	-93.2%	0.5%	0.8%	64.1%	0.3%	0.7%	121.0%	0.2%	0.3%	29.1%	0.1%	0.2%	102.7%
Derbyshire Dales	97.6%	96.8%	-0.9%	2.3%	1.8%	-21.7%	0.4%	0.7%	69.9%	0.2%	0.4%	110.9%	0.2%	0.2%	-6.5%	0.1%	0.1%	-1.2%
City Region	94.7%	90.0%	-4.9%	1.4%	2.4%	72.5%	0.8%	1.4%	65.5%	2.0%	3.8%	87.0%	0.4%	0.9%	127.8%	0.8%	1.5%	98.4%

(Source: 2011 Census data in NOMIS: Office of National Statistics 2018)

A7 Underoccupation and overcrowding

	All under occupied		2+ bedrooms under occupied		1+ bedrooms under occupied		Neutral		Overcrowded		ALL
	Number	%	Number	%	Number	%	Number	%	Number	%	Number
Barnsley	76,400	75.8%	35,500	35.2%	40,900	40.6%	22,000	21.8%	2,400	2.4%	100,700
Doncaster	95,100	75.2%	48,000	37.9%	47,100	37.3%	27,300	21.6%	4,100	3.2%	126,500
Rotherham	81,000	74.7%	39,900	36.8%	41,100	37.9%	24,000	22.2%	3,300	3.1%	108,300
Sheffield	157,300	68.4%	78,300	34.1%	78,900	34.3%	61,800	26.9%	10,900	4.7%	229,900
South Yorkshire	409,800	72.4%	201,700	35.7%	208,000	36.8%	135,100	23.9%	20,700	3.6%	565,400
Bassetlaw	37,800	79.4%	20,700	43.5%	17,100	35.9%	8,800	18.5%	1,000	2.1%	47,700
Bolsover	25,600	77.9%	11,600	35.3%	14,000	42.7%	6,500	19.7%	800	2.4%	32,800
Chesterfield	33,700	72.0%	15,700	33.7%	17,900	38.3%	12,000	25.6%	1,100	2.4%	46,800
North East Derbyshire	34,200	79.5%	17,300	40.2%	16,900	39.3%	8,000	18.6%	800	1.9%	43,000
Derbyshire Dales	24,600	80.0%	14,000	45.7%	10,600	34.3%	5,700	18.4%	500	1.6%	30,700
City Region	565,700	68.4%	281,000	34.1%	284,500	34.3%	176,100	26.9%	24,900	4.7%	766,500
<i>Yorkshire and the Humber</i>	<i>1,603,900</i>	<i>74.7%</i>	<i>784,400</i>	<i>36.8%</i>	<i>819,600</i>	<i>37.9%</i>	<i>540,900</i>	<i>22.2%</i>	<i>79,200</i>	<i>3.1%</i>	<i>2,224,100</i>
<i>England</i>	<i>15,152,900</i>	<i>75.2%</i>	<i>7,558,800</i>	<i>37.9%</i>	<i>7,594,100</i>	<i>37.3%</i>	<i>5,886,000</i>	<i>21.6%</i>	<i>1,024,500</i>	<i>3.2%</i>	<i>22,063,400</i>

	All households under-occupying		Homeowners under-occupying		Social tenants under-occupying		Private tenants under-occupying	
Barnsley	76,400	75.8%	55,600	55.2%	11,600	11.5%	9,200	9.2%
Doncaster	95,100	75.2%	70,700	55.9%	11,300	8.9%	13,100	10.3%
Rotherham	81,000	74.7%	59,900	55.3%	12,400	11.4%	8,700	8.0%
Sheffield	157,300	68.4%	113,300	49.3%	24,200	10.5%	19,800	8.6%
South Yorkshire	409,800	72.4%	299,500	53.0%	59,400	10.5%	50,800	9.0%
Bassetlaw	37,800	79.4%	29,200	61.3%	4,100	8.7%	4,500	9.5%
Bolsover	25,600	77.9%	18,700	57.0%	3,700	11.2%	3,200	9.7%
Chesterfield	33,700	72.0%	25,400	54.3%	4,400	9.4%	3,900	8.3%
North East Derbyshire	34,200	79.5%	26,700	62.0%	5,100	11.9%	2,400	5.6%
Derbyshire Dales	24,600	80.0%	19,800	64.5%	1,600	5.3%	3,100	10.2%
City Region	565,700	68.4%	419,300	54.7%	78,300	10.2%	67,900	8.9%

(Source: 2011 Census data in NOMIS: Office of National Statistics 2018)

Appendix B Home Ownership

B1 Entry level and average house prices and incomes needed to afford for homes with 1,2,3 and 4 + beds

	Average House Price						Household Income needed to afford					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	£85,928	£121,322	£101,520	£173,914	£390,958	£221,928	£27,719	£39,136	£32,748	£32,748	£56,101	£126,115
Doncaster	£78,674	£112,256	£96,053	£154,423	£321,812	£197,230	£25,379	£36,212	£30,985	£30,985	£49,814	£103,810
Rotherham	£80,120	£105,618	£92,689	£148,569	£314,496	£166,190	£25,845	£34,070	£29,900	£29,900	£47,925	£101,450
Sheffield	£92,533	£138,618	£115,988	£188,008	£336,587	£205,021	£29,849	£44,715	£37,415	£37,415	£60,648	£108,576
South Yorkshire	£84,314	£119,454	£101,563	£166,229	£340,964	£204,977	£27,198	£38,534	£32,762	£32,762	£53,622	£109,988
Bassetlaw	£90,047	£136,641	£117,904	£192,808	£394,941	£255,199	£35,256	£48,790	£42,023	£70,016	£129,053	£89,550
Bolsover	£82,036	£122,000	£102,018	£167,801	£373,367	£202,517	£22,700	£37,869	£30,285	£43,798	£125,044	£56,705
Chesterfield	£88,615	£123,762	£106,189	£198,144	£408,935	£228,097	£28,585	£39,923	£34,255	£63,918	£131,914	£73,580
North East Derbyshire	£100,330	£139,549	£119,939	£214,211	£444,306	£259,129	£21,613	£31,108	£26,360	£81,779	£170,635	£105,970
Derbyshire Dales	£134,310	£211,044	£175,516	£315,432	£623,593	£358,072	£42,336	£63,675	£53,005	£88,570	£147,791	£100,598
City Region Average	£92,510	£134,534	£114,202	£194,812	£400,999	£232,598	£31,900	£46,391	£39,380	£67,177	£138,276	£80,206

(Source: www.rightmove.co.uk 2018; www.zoopla.co.uk 2018; ASHE ONS 2017)

B2 Affordability Ratios for average, bottom quartile and bottom 20% household incomes for homes with 1,2,3 and 4 + beds

	Affordability Ratios Household Income)																	
	Bottom 20%						Bottom 25%						Average					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	4.9	6.9	5.8	9.9	22.3	12.6	4.2	5.9	4.9	8.4	18.9	10.7	2.4	3.3	2.8	4.8	10.7	6.1
Doncaster	4.6	6.6	5.6	9.1	18.9	11.6	4.0	5.7	4.9	7.9	16.4	10.0	2.2	3.2	2.7	4.4	9.1	5.6
Rotherham	5.0	6.6	5.8	9.2	19.6	10.3	4.1	5.4	4.8	7.6	16.2	8.5	2.3	3.0	2.7	4.3	9.1	4.8
Sheffield	5.5	8.2	6.9	16.0	28.7	12.2	4.5	6.8	5.7	9.2	16.5	10.1	2.5	3.7	3.1	5.0	9.0	5.5
South Yorkshire	5.0	7.1	6.0	11.1	22.4	11.7	4.2	6.0	5.1	8.3	17.0	9.9	2.3	3.3	2.8	4.6	9.5	5.5
Bassetlaw	5.2	7.9	6.8	11.2	22.9	14.8	4.2	6.4	5.5	9.1	18.6	12.0	2.5	3.8	3.3	5.3	10.9	7.0
Bolsover	5.3	7.8	6.5	10.8	23.9	13.0	4.4	6.6	5.5	9.0	20.1	10.9	2.5	3.7	3.1	5.1	11.4	6.2
Chesterfield	5.3	7.3	6.3	11.8	24.3	13.5	4.3	6.0	5.1	9.6	19.8	11.1	2.5	3.5	3.0	5.7	11.7	6.5
North East Derbyshire	6.2	8.6	7.4	13.3	27.5	16.0	5.4	7.5	6.4	11.5	23.9	13.9	2.7	3.7	3.2	5.7	11.8	6.9
Derbyshire Dales	9.2	14.5	12.0	21.6	42.8	24.5	7.0	11.0	9.1	16.4	32.5	18.7	3.0	4.7	3.9	7.1	13.9	8.0
City Region	5.5	8.0	6.8	11.7	13.0	13.0	4.7	6.9	5.9	10.1	20.4	11.9	2.5	3.7	3.1	5.4	10.9	6.4

(Source: www.rightmove.co.uk 2018; www.zoopla.co.uk 2018; ASHE ONS 2017)

B3 Deposits required to secure 85% mortgage and years required to save

	Deposit required (@15% LVR)				Years needed to accumulate deposit											
					Bottom 20% incomes				Bottom 25% incomes				Average Incomes			
	1 Bed	2 Bed	3 Bed	4 Bed	1 Bed	2 Bed	3 Bed	4 Bed	1 Bed	2 Bed	3 Bed	4 Bed	1 Bed	2 Bed	3 Bed	4 Bed
Barnsley	£12,889	£18,198	£26,087	£58,644	7.3	10.4	14.9	33.4	6.2	8.8	12.6	28.4	3.5	5.0	7.1	16.0
Doncaster	£11,801	£16,838	£23,163	£48,272	6.9	9.9	13.6	28.4	6.0	8.6	11.8	24.6	3.3	4.8	6.6	13.7
Rotherham	£12,018	£15,843	£22,285	£47,174	7.5	9.9	13.9	29.4	6.0	7.9	11.1	23.5	3.5	4.6	6.4	13.6
Sheffield	£13,880	£20,793	£28,201	£50,488	8.2	12.3	16.7	30.0	6.9	10.4	14.1	25.2	3.7	5.5	7.5	13.5
South Yorkshire	£12,647	£17,918	£24,934	£51,145	7.5	10.6	14.8	30.3	6.3	8.9	12.4	25.4	3.5	5.0	6.9	14.2
Bassetlaw	£13,507	£20,496	£28,921	£59,241	8.0	12.2	17.2	35.2	6.4	9.6	13.6	27.9	3.7	5.7	8.0	16.3
Bolsover	£12,305	£18,300	£25,170	£56,005	7.9	11.7	16.1	35.9	7.0	10.4	14.3	31.8	3.8	5.6	7.7	17.2
Chesterfield	£13,292	£18,564	£29,722	£61,340	7.9	11.0	17.6	36.4	6.4	9.0	14.4	29.7	3.8	5.3	8.5	17.6
North East Derbyshire	£15,050	£20,932	£32,132	£66,646	9.3	13.0	19.9	41.3	8.1	11.3	17.3	35.8	4.0	5.6	8.5	17.7
Derbyshire Dales	£20,147	£31,657	£47,315	£93,539	13.8	21.7	32.4	64.1	10.5	16.5	24.7	48.7	4.5	7.1	10.6	20.9
City Region	£13,877	£20,180	£29,222	£60,150	14.5	21.1	30.5	62.8	7.5	10.8	15.7	32.3	3.9	5.6	8.2	16.8

(Source: www.rightmove.co.uk 2018; ASHE ONS 2017; CML 2017)

B4 Distribution of advertised prices of newly-built housing for sale

	Under £100,000		£100,000 - £150,000		£150,000 - £200,000		£200,000 - £300,000		£300,000 - £500,000		Over £500,000		ALL Advertised	
Barnsley	0	0.0%	34	20.4%	49	29.3%	62	37.1%	21	12.6%	1	0.6%	167	
Doncaster	30	12.7%	73	30.9%	72	30.5%	49	20.8%	11	4.7%	1	0.4%	236	Under £100K all Shared Ownership
Rotherham	3	1.7%	44	25.6%	54	31.4%	54	31.4%	12	7.0%	5	2.9%	172	Under £100K all Shared Ownership
Sheffield	42	20.7%	48	23.6%	48	23.6%	21	10.3%	25	12.3%	19	9.4%	203	Under £100K Purpose built student housing
South Yorkshire	75	9.6%	199	25.6%	223	28.7%	186	23.9%	69	8.9%	26	3.3%	778	
Bassetlaw	15	6.9%	33	15.2%	58	26.7%	58	26.7%	47	21.7%	6	2.8%	217	Under £100K all Shared Ownership
Bolsover	10	6.0%	6	3.6%	56	33.7%	50	30.1%	42	25.3%	2	1.2%	166	Under £100K all Shared Ownership
Chesterfield	3	3.5%	3	3.5%	29	33.7%	27	31.4%	20	23.3%	4	4.7%	86	Under £100K all Shared Ownership
North East Derbyshire	6	2.8%	23	10.6%	45	20.6%	62	28.4%	69	31.7%	13	6.0%	218	Under £100K all Shared Ownership
Derbyshire Dales	6	4.4%	1	0.7%	14	10.4%	43	31.9%	59	43.7%	12	8.9%	135	Under £100K all Shared Ownership
City Region	115	7.2%	265	16.6%	425	26.6%	426	26.6%	306	19.1%	63	3.9%	1600	

(Source: www.rightmove.co.uk 2018)

B5 Affordability of mortgage payments

	Mortgage payment (Entry Level)	% Average income	% bottom quartile income	% bottom 20% incomes
Barnsley	£477	15.7%	27.7%	32.6%
Doncaster	£451	15.4%	27.6%	31.9%
Rotherham	£436	15.1%	26.9%	32.4%
Sheffield	£545	17.5%	32.6%	38.7%
South Yorkshire average	£478	15.9%	28.7%	34.0%
Bassetlaw	£554	18.3%	31.3%	38.4%
Bolsover	£479	17.6%	32.7%	36.9%
Chesterfield	£499	17.1%	29.0%	35.5%
North East Derbyshire	£564	18.0%	36.4%	42.0%
Derbyshire Dales	£825	22.1%	51.6%	67.8%
City Region Average	£520	17.0%	31.7%	36.9%

(Source: www.rightmove.co.uk; ASHE ONS 2017)

Appendix C Rental Market: Supply and Affordability

C1 Household income needed to afford market rents for 1,2,3 and 4 bed properties

	Average Monthly Market Rent						Average Weekly Market Rent						Household income needed					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	£404	£503	£454	£634	£1,117	£580	£93	£116	£105	£146	£258	£134	£15,514	£19,315	£17,434	£24,346	£42,893	£22,272
Doncaster	£422	£500	£461	£576	£853	£530	£97	£115	£106	£133	£197	£122	£16,205	£19,200	£17,702	£22,118	£32,755	£20,352
Rotherham	£403	£493	£448	£596	£776	£523	£93	£114	£103	£138	£179	£121	£15,475	£18,931	£17,203	£22,886	£29,798	£20,083
Sheffield	£467	£598	£532	£753	£1,049	£660	£108	£138	£123	£174	£242	£152	£17,933	£22,963	£20,429	£28,915	£40,282	£25,344
South Yorkshire	£424	£524	£474	£640	£949	£573	£95	£117	£106	£151	£205	£128	£16,285	£20,102	£18,192	£24,566	£36,432	£22,013
Bolsover	£403	£503	£453	£640	£773	£499	£93	£116	£105	£148	£178	£115	£15,475	£19,315	£17,395	£24,576	£29,683	£19,162
Bassetlaw	£410	£517	£464	£664	£1,001	£603	£95	£119	£107	£153	£231	£139	£15,744	£19,853	£17,818	£25,498	£38,438	£23,155
Chesterfield	£424	£520	£472	£704	£764	£555	£98	£120	£109	£162	£176	£128	£16,282	£19,968	£18,125	£27,034	£29,338	£21,312
North East Derbyshire	£408	£522	£465	£756	£931	£579	£94	£120	£107	£174	£215	£134	£15,667	£20,045	£17,856	£29,030	£35,750	£22,234
Derbyshire Dales	£463	£618	£541	£863	£1,197	£699	£107	£143	£125	£199	£276	£161	£17,779	£23,731	£20,774	£33,139	£45,965	£26,842
City Region Average	£423	£530	£477	£687	£940	£581	£98	£122	£110	£159	£217	£134	£16,230	£20,369	£18,304	£26,394	£36,100	£22,306

(Source: www.rightmove.co.uk; www.home.co.uk; ASHE ONS 2017)

C2 Proportion of average, bottom quartile and bottom 20% household incomes taken by market rents for 1,2,3 and 4+ bed properties.

	% of Gross Weekly household income																	
	Bottom 20% income						Bottom 25% income						Average Income					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	27.6%	34.3%	31.0%	43.3%	76.3%	39.6%	23.5%	29.2%	26.4%	36.8%	64.9%	33.7%	13.3%	16.5%	14.9%	20.8%	36.7%	19.0%
Doncaster	29.8%	35.3%	32.5%	40.6%	60.2%	37.4%	25.8%	30.6%	28.2%	35.2%	52.1%	32.4%	14.4%	17.0%	15.7%	19.6%	29.0%	18.0%
Rotherham	30.0%	36.7%	33.3%	44.4%	57.8%	38.9%	24.9%	30.4%	27.6%	36.8%	47.9%	32.3%	13.9%	17.1%	15.5%	20.6%	26.9%	18.1%
Sheffield	33.2%	42.5%	37.8%	53.5%	74.5%	46.9%	28.0%	35.8%	31.9%	45.1%	62.8%	39.5%	14.9%	19.1%	17.0%	24.1%	33.6%	21.1%
South Yorkshire	29.7%	36.8%	33.2%	47.3%	64.2%	40.0%	25.2%	31.2%	28.2%	40.2%	54.5%	33.9%	13.9%	17.3%	15.6%	22.2%	30.1%	18.7%
Bolsover	31.0%	38.7%	34.8%	49.2%	59.5%	38.4%	27.5%	34.3%	30.9%	43.6%	52.7%	34.0%	14.8%	18.5%	16.7%	23.5%	28.4%	18.4%
Bassetlaw	28.4%	35.8%	32.2%	46.0%	69.4%	41.8%	23.1%	29.2%	26.2%	37.5%	56.5%	34.0%	13.6%	17.1%	15.4%	22.0%	33.1%	20.0%
Chesterfield	30.2%	37.0%	33.6%	50.1%	54.4%	39.5%	24.7%	30.2%	27.4%	40.9%	44.4%	32.3%	14.6%	17.9%	16.2%	24.2%	26.2%	19.1%
North East Derbyshire	30.4%	38.9%	34.6%	56.3%	69.3%	43.1%	26.3%	33.7%	30.0%	48.8%	60.1%	37.3%	13.0%	16.6%	14.8%	24.1%	29.6%	18.4%
Derbyshire Dales	38.0%	50.8%	44.4%	70.9%	98.3%	57.4%	29.0%	38.6%	33.8%	54.0%	74.9%	43.7%	12.4%	16.6%	14.5%	23.2%	32.1%	18.8%
City Region Average	30.0%	37.7%	33.8%	48.8%	66.8%	41.2%	25.8%	32.4%	29.1%	41.9%	57.3%	35.4%	13.8%	17.3%	15.6%	22.5%	30.7%	19.0%

(Source: www.rightmove.co.uk; www.home.co.uk; ASHE ONS 2017)

C3 Household income needed to afford 1,2,3 and 4 bed properties at Affordable Rents

	Average Monthly Affordable Rent						Average Weekly Affordable Rent						Household income needed					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	£323	£402	£363	£507	£894	£464	£75	£93	£84	£117	£206	£107	£12,023	£14,969	£13,511	£18,868	£33,242	£17,261
Doncaster	£338	£400	£369	£461	£682	£424	£78	£92	£85	£106	£157	£98	£12,559	£14,880	£13,719	£17,142	£25,385	£15,773
Rotherham	£322	£394	£358	£477	£621	£418	£74	£91	£83	£110	£143	£97	£11,993	£14,672	£13,332	£17,737	£23,094	£15,564
Sheffield	£374	£478	£426	£602	£839	£528	£86	£110	£98	£139	£194	£122	£13,908	£17,786	£15,832	£22,408	£31,218	£19,631
South Yorkshire	£339	£419	£379	£512	£759	£459	£75	£93	£84	£121	£164	£102	£12,621	£15,577	£14,099	£19,039	£28,235	£17,057
Bassetlaw	£328	£414	£371	£531	£801	£482	£76	£95	£86	£123	£185	£111	£12,202	£15,386	£13,809	£19,761	£29,790	£17,945
Bolsover	£306	£386	£346	£512	£618	£399	£71	£89	£80	£118	£143	£92	£11,398	£14,374	£12,886	£19,046	£23,004	£14,850
Chesterfield	£339	£416	£378	£563	£611	£444	£78	£96	£87	£130	£141	£102	£12,618	£15,475	£14,047	£20,951	£22,737	£16,517
North East Derbyshire	£326	£418	£372	£605	£745	£463	£75	£96	£86	£140	£172	£107	£12,142	£15,535	£13,838	£22,499	£27,707	£17,231
Derbyshire Dales	£370	£494	£433	£690	£958	£559	£85	£114	£100	£159	£221	£129	£13,779	£18,392	£16,100	£25,683	£35,623	£20,802
City Region Average	£336	£423	£372	£550	£752	£465	£78	£98	£88	£127	£174	£107	£12,514	£15,719	£13,838	£20,455	£27,978	£17,286

(Source: www.rightmove.co.uk; www.home.co.uk; ASHE ONS 2017)

C4 Proportion of average, bottom quartile and bottom 20% household incomes taken by affordable rents for 1,2,3 and 4+ bed properties

	% of Gross Weekly household income																	
	Bottom 20% income						Bottom 25% income						Average Income					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	22.1%	27.5%	24.8%	34.7%	61.1%	31.7%	18.8%	23.4%	21.1%	29.5%	51.9%	26.9%	10.6%	13.2%	11.9%	16.7%	29.3%	15.2%
Doncaster	23.8%	28.2%	26.0%	32.5%	48.2%	29.9%	20.6%	24.5%	22.5%	28.2%	41.7%	25.9%	11.5%	13.6%	12.6%	15.7%	23.2%	14.4%
Rotherham	24.1%	29.5%	26.8%	35.6%	46.4%	31.2%	19.9%	24.3%	22.1%	29.4%	38.3%	25.8%	11.2%	13.7%	12.4%	16.5%	21.5%	14.5%
Sheffield	39.8%	50.9%	45.3%	64.1%	89.3%	56.2%	33.5%	42.8%	38.1%	53.9%	75.1%	47.2%	17.9%	22.9%	20.4%	28.8%	40.1%	25.2%
South Yorkshire	24.2%	29.8%	27.0%	36.4%	53.8%	32.6%	20.4%	25.2%	22.8%	30.8%	45.5%	27.6%	11.3%	13.9%	12.6%	17.0%	25.2%	15.3%
Bolsover	23.6%	29.7%	26.6%	39.4%	47.6%	30.7%	20.9%	26.4%	23.6%	34.9%	42.2%	27.2%	11.3%	14.2%	12.7%	18.8%	22.7%	14.7%
Bassetlaw	22.8%	28.8%	25.8%	37.0%	55.7%	33.6%	18.5%	23.3%	20.9%	30.0%	45.2%	27.2%	10.9%	13.7%	12.3%	17.6%	26.5%	16.0%
Chesterfield	24.2%	29.6%	26.9%	40.1%	43.5%	31.6%	19.7%	24.2%	22.0%	32.7%	35.5%	25.8%	11.6%	14.3%	13.0%	19.3%	21.0%	15.2%
North East Derbyshire	24.3%	31.0%	27.6%	44.9%	55.4%	34.4%	21.1%	26.9%	24.0%	39.0%	48.0%	29.9%	10.4%	13.3%	11.8%	19.3%	23.7%	14.8%
Derbyshire Dales	30.5%	40.7%	35.6%	56.8%	78.8%	46.0%	23.2%	30.9%	27.1%	43.2%	59.9%	35.0%	9.9%	13.3%	11.6%	18.5%	25.7%	15.0%
City Region Average	25.3%	31.9%	28.6%	41.4%	56.7%	35.1%	21.8%	27.4%	24.6%	35.6%	48.7%	30.1%	11.7%	14.7%	13.2%	19.1%	26.1%	16.1%

(Source: www.rightmove.co.uk; www.home.co.uk; ASHE ONS 2017)

C5 Income needed to afford social rents for homes with 1,2,3 and 4 + beds for average, bottom quartile and bottom 20% household incomes

	Average Monthly Social Rent						Average Weekly Social Rent						Income needed					
	1 Bed	2 Bed	Entry Level	3 Bed	4+ Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4+ Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4+ Bed	ALL
Barnsley	£263	£310	£293	£417	£461	£387	£61	£72	£68	£96	£106	£89	£9,798	£11,547	£10,915	£15,503	£17,165	£14,403
Doncaster	£279	£363	£321	£409	£399	£364	£64	£84	£74	£94	£92	£84	£10,380	£13,512	£11,947	£15,214	£14,832	£13,533
Rotherham	£267	£368	£317	£382	£325	£368	£62	£85	£73	£88	£75	£85	£9,914	£13,705	£11,810	£14,213	£12,103	£13,705
Sheffield	£289	£351	£320	£381	£451	£358	£67	£81	£74	£88	£104	£83	£10,736	£13,073	£11,905	£14,169	£16,773	£13,331
South Yorkshire	£274	£348	£313	£397	£409	£369	£63	£80	£72	£92	£94	£85	£10,207	£12,959	£11,644	£14,775	£15,218	£13,743
Bassetlaw	£311	£370	£340	£406	£314	£386	£72	£85	£78	£94	£72	£89	£11,553	£13,750	£12,653	£15,108	£11,663	£14,376
Bolsover	£267	£392	£329	£360	£396	£399	£62	£90	£76	£83	£91	£92	£9,915	£14,566	£12,242	£13,409	£14,726	£14,842
Chesterfield	£253	£406	£330	£457	£355	£414	£58	£94	£76	£105	£82	£96	£9,419	£15,101	£12,261	£16,989	£13,210	£15,416
North East Derbyshire	£332	£404	£368	£450	£446	£413	£77	£93	£85	£104	£103	£95	£12,358	£15,011	£13,684	£16,755	£16,599	£15,362
Derbyshire Dales	£304	£433	£368	£474	£450	£440	£70	£100	£85	£109	£104	£102	£11,297	£16,107	£13,702	£17,640	£16,755	£16,380
City Region Average	£285	£377	£332	£415	£400	£392	£66	£87	£77	£96	£92	£91	£10,597	£14,041	£12,346	£15,444	£14,869	£14,594

(Source: www.gov.uk: SDR 2016-17 Data release: January 2018): ASHE:, Office for National Statistics 2017)

C6 Proportion of average, bottom quartile and bottom 20% household incomes taken by social rents

	% of Gross Weekly household income																	
	Bottom210% income						Bottom 25% income						Average Income					
	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL	1 Bed	2 Bed	Entry Level	3 Bed	4 Bed	ALL
Barnsley	18.0%	21.2%	20.1%	28.5%	31.5%	26.5%	15.3%	18.0%	17.0%	24.2%	26.8%	26.8%	8.6%	10.2%	9.6%	13.7%	15.1%	12.7%
Rotherham	19.9%	27.5%	23.7%	28.5%	24.3%	27.5%	16.4%	22.7%	19.6%	23.6%	20.1%	20.1%	9.2%	12.8%	11.0%	13.2%	11.3%	12.8%
Doncaster	19.7%	25.6%	22.7%	28.9%	28.1%	25.7%	17.1%	22.2%	19.6%	25.0%	24.4%	24.4%	9.5%	12.4%	10.9%	13.9%	13.6%	12.4%
Sheffield	20.6%	25.0%	22.8%	27.1%	32.1%	25.5%	17.3%	21.0%	19.2%	22.8%	27.0%	27.0%	9.2%	11.2%	10.2%	12.2%	14.4%	11.5%
South Yorkshire	£324.38	19.5%	24.9%	22.3%	28.3%	29.0%	26.3%	16.5%	21.0%	18.9%	23.9%	24.6%	24.6%	9.2%	11.6%	10.4%	13.3%	13.6%
Bolsover	20.5%	30.1%	25.3%	27.7%	30.5%	30.7%	18.2%	26.7%	22.4%	24.6%	27.0%	27.0%	9.8%	14.4%	12.1%	13.3%	14.6%	14.7%
Bassetlaw	21.6%	25.7%	23.7%	28.3%	21.8%	26.9%	17.5%	20.9%	19.2%	22.9%	17.7%	17.7%	10.3%	12.2%	11.3%	13.4%	10.4%	12.8%
Chesterfield	18.0%	28.9%	23.5%	32.5%	25.3%	29.5%	14.7%	23.6%	19.2%	26.6%	20.6%	20.6%	8.7%	13.9%	11.3%	15.7%	12.2%	14.2%
North East Derbyshire	24.7%	30.0%	27.3%	33.5%	33.2%	30.7%	21.4%	26.0%	23.7%	29.1%	28.8%	28.8%	10.6%	12.9%	11.7%	14.3%	14.2%	13.2%
Derbyshire Dales	25.0%	35.6%	30.3%	39.0%	37.1%	36.2%	19.0%	27.1%	23.0%	29.7%	28.2%	28.2%	8.1%	11.6%	9.9%	12.7%	12.1%	11.8%
City Region Average	20.2%	26.8%	23.5%	29.4%	28.3%	27.8%	17.4%	23.0%	20.2%	25.3%	24.4%	24.4%	9.3%	12.3%	10.9%	13.6%	13.1%	12.8%

(Source: www.gov.uk: SDR 2016-17 Data release: January 2018): ASHE.; Office for National Statistics 2017)

C7 Impact of housing costs on households with a single income

Single income	Net Monthly Pay	Mortgage payment	% of income	Market Rent (Entry Level)	% of income	Market Rent (Average)	% of income	Affordable Rent (Average)	% of income	Social Rent (Average)	% of income
Above average											
Solicitor	£3,371	£537	15.9%	£477	14.2%	£581	17.2%	£465	13.8%	£392	11.6%
IT Software Engineer	£2,961	£537	18.1%	£477	16.1%	£581	19.6%	£465	15.7%	£392	13.2%
Insurance Broker	£2,450	£537	21.9%	£477	19.5%	£581	23.7%	£465	19.0%	£392	16.0%
Web designer	£2,185	£537	24.6%	£477	21.8%	£581	26.6%	£465	21.3%	£392	17.9%
Loans Underwriter	£1,959	£537	27.4%	£477	24.3%	£581	29.7%	£465	23.7%	£392	20.0%
Around average											
Teacher	£1,825	£537	29.4%	£477	26.1%	£581	31.8%	£465	25.5%	£392	21.5%
Nurse (Entry Level)	£1,733	£537	31.0%	£477	27.5%	£581	33.5%	£465	26.8%	£392	22.6%
Paramedic	£1,667	£537	32.2%	£477	28.6%	£581	34.9%	£465	27.9%	£392	23.5%
Probationary Police Officer	£1,600	£537	33.6%	£477	29.8%	£581	36.3%	£465	29.1%	£392	24.5%
Bottom Quartile											
Credit Controller	£1,538	£537	34.9%	£477	31.0%	£581	37.8%	£465	30.2%	£392	25.5%
Bar Manager	£1,467	£537	36.6%	£477	32.5%	£581	39.6%	£465	31.7%	£392	26.7%
Dental Nurse	£1,376	£537	39.0%	£477	34.7%	£581	42.2%	£465	33.8%	£392	28.5%
Pharmacist (Entry Level)	£1,267	£537	42.4%	£477	37.7%	£581	45.9%	£465	36.7%	£392	30.9%
Teaching Assistant	£1,205	£537	44.6%	£477	39.6%	£581	48.2%	£465	38.6%	£392	32.5%
Bottom 20%											
Ambulance Driver	£1,117	£537	48.1%	£477	42.7%	£581	52.0%	£465	41.6%	£392	35.1%
Fork lift Driver	£1,100	£537	48.8%	£477	43.4%	£581	52.8%	£465	42.3%	£392	35.6%
Catering Assistant (2*0.5)	£1,080	£538	49.8%	£477	44.3%	£582	53.9%	£466	43.1%	£393	36.4%
Warehouse operative	£1,080	£537	49.7%	£477	44.2%	£581	53.8%	£465	43.1%	£392	36.3%
Sales Assistant	£1,033	£537	52.0%	£477	46.2%	£581	56.2%	£465	45.0%	£392	37.9%

This page is intentionally left blank

HOUSING & INFRASTRUCTURE EXECUTIVE BOARD

15th NOVEMBER 2018

SCR HOUSING FUND: PROGRAMME UPDATE AND REVIEW

Purpose of Report

This report presents the SCR Housing Fund Programme Update and Review.

Thematic Priority

‘Secure investment in infrastructure where it will do most to support growth’.

Freedom of Information

Executive Board papers are not made available under the Combined Authority Publication Scheme.

This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

Recommendations

The Board is asked to note the programme update and to identify any further issues.

REPORT AUTHOR	Michael Hellewell
POST	Senior Programme Manager
Officer responsible	Mark Lynam
Organisation	Sheffield City Region Executive Team
Email	mark.lynam@sheffieldcityregion.org.uk
Telephone	0114 220 3442

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ.

Other sources and references: n/a

Sheffield City Region

**SCR HOUSING FUND:
PROGRAMME UPDATE AND REVIEW**

**HOUSING AND INFRASTRUCTURE
EXECUTIVE BOARD: 15/11/18**

Background

- Review of current Housing Fund (HF) Schemes requested by the Housing Investment Board (HIB) and Housing and Infrastructure Executive Board (HIEB) at recent meetings.
- Continuing to move schemes forward, but not at the pace originally envisaged:
 - Potentially ‘easier’ schemes came forward early on;
 - New schemes and new partners – initial enthusiasm to progress;
 - Resource and capacity issues – for scheme promoters and SCR;
 - Due diligence – clarification stage more iterative and time consuming.
- SCR target remains – progress schemes up to the original HF allocation of £10m for HIB approval by the end of the current Financial Year.
- Existing and emerging pipeline remains strong – compelling evidence for an ‘up to £15m’ enhancement of the HF (FBC recently submitted).

The Current SCR HF Programme (1)

- **Schemes progressed/progressing to Full Business Case (9 schemes in total)**
 - Potential to deliver over **1,100 homes** (c30% affordable);
 - Total LGF funding 'ask' of **c£8.0m**
 - Estimated c£7,200 of SCR investment per new home

- **Approval of c£1.86m of financial support from SCR** (both loan and grants) to unlock/ accelerate the delivery of **123 new homes**:
 - Former Park Gardeners Club site in Sheffield
 - Nanny Marr Road Ph2 in Barnsley
 - Leach Lane in Doncaster
 - Hawshaw Lane in Barnsley
- **Two schemes awaiting consideration/ financial approval by the HIB.**
This would take total approvals to c£3.52m, to unlock/ accelerate c320 new homes

Four schemes approved to date...

Former Park Gardeners Club (Sheffield)

- Delivery Partners: The Guinness Partnership
- Grant of £517k to unlock a stalled site
- 38 affordable flats for rent
- **Current Status: approved in March 2018, in contract, on site, full grant claimed, up to 2 months delay, completion Aug 2019**



Nanny Marr Road (Darfield, Barnsley)

- Delivery Partners: Together Housing Group
- Grant of £367k for vital site remediation
- 35 homes for rent/ shared ownership
- **Current Status: approved in May 2018, contract with THG for review, ongoing negotiations with Barnsley MBC (land acquisition, site access, planning permission)**
- **Deadline for negotiations to be resolved: end of November 2018**



Four schemes approved to date...

Leach Lane (Mexborough, Doncaster)

- Delivery Partners: Fenwood Estates
- SCR funding of £350k (50:50 grant/ loan) for vital site remediation
- 25 homes targeted at first time buyers
- **Current Status: approved in May 2018, agreed arrangements with co-funder, issue of contract awaiting evidence of Title Deeds**



Hawshaw Lane (Barnsley)

- Delivery Partners: Barnsley MBC
- SCR funding of £632k (Grant c£379k and Loan c£253k) for site acquisition and 'above policy' delivery of Affordable Housing
- 25 homes: 9 for social rent, 16 for sale
- **Current Status: approved in July 2018, a number of conditions to be addressed (Council Cabinet approval & State Aid confirmation)**
- **Deadline for negotiations to be resolved: end of December 2018**

The Current SCR HF Programme (2)

- Schemes progressing to Full Business Case ('FBC Schemes')
3 in total (as at early November 2018)

Project Name	Local Authority Area	Current Status/Comments	No. of Units	Total LGF Funding (£)	Grant/ Loan	FBC Received/ Due	Target Appraisal Panel Date	Target Funding Decision (HIB)	Notification of Investment Decision
Project 004	Chesterfield BC	A further meeting with all partners to take place by the end of November. Revised FBC expected to be submitted by early December.	350	1,793,588	Grant & Loan	Awaiting FBC (early December deadline set)	During December	Jan 2018 (date tbc)	HIEB: Jan 2019 (date tbc) MCA: 28/01/19
Project 007	Sheffield CC	Outstanding issues to be resolved. Most significant ones relate to land negotiations and planning issues.	53	750,000	Grant	Awaiting FBC (end of November deadline set)	During December	Jan 2018 (date tbc)	HIEB: Jan 2019 (date tbc) MCA: 28/01/19
Project 015	Bassetlaw DC	Final FBC submitted for appraisal (17/10) following previous rounds of clarification. Meeting requested with Scheme Promoter in order to progress the scheme towards funding approval	400	1,950,000	Grant & Loan	17/10/18	During November	Nov 2018 (date tbc)	HIEB: date tbc MCA: tbc

The Current SCR HF Programme (3)

- **Previously Reported:**
8 schemes in our pipeline ('Original Pipeline Schemes'):
 - Potential to deliver over 3,100 homes;
 - Total LGF funding 'ask' of c£15.4m;
- **Adjusted Pipeline**
(based on SCR due diligence and partner discussions)
Up to 6 schemes in our pipeline:
 - Potential to deliver over 1,330 homes
 - Total LGF funding 'ask' of c£7.4m
 - Schemes in: Barnsley, Bolsover, Rotherham, Doncaster & Sheffield
- **Emerging Pipeline (based on 'open call' responses to date, and in some case incomplete information)**
Up to a further 6 scheme in our pipeline:
 - Total LGF funding 'ask' of c14.1m
 - Schemes in: Barnsley, Rotherham & Sheffield

The Current SCR HF Programme (4)

- **The case for a ‘top up’ to the HF:**

Schemes progressed/progressing to Full Business Case

£8.0m*

*NB: ‘Current Demand’ of c£15.4m is still in excess of the current £10m allocated to the HF by the MCA

Adjusted Pipeline

£7.4m*

Emerging Pipeline (50% reduction factor)

£14.1m (**£7m**)

Total (estimated)

£22.4m

Page 18

FBC requesting a further enhancement of the HF of ‘up to £15m’ has been developed (subject to approval by the CA). This would enable flexibility to fund ‘good schemes’ as they come forward, as well as move us towards a more ‘commissioning approach’.

- **Next Steps:**

- Continued dialogue with pipeline schemes (existing and emerging)
- Schemes up to the original HF (£10m) value: invited to develop FBCs
- Schemes over the £10m: invited to progress FBCs ‘at risk’

This page is intentionally left blank

HOUSING & INFRASTRUCTURE EXECUTIVE BOARD

15th NOVEMBER 2018

DELIVERY PLAN PLACE DASHBOARD

Purpose of Report

This report presents the Delivery Plan Place Dashboard.

Thematic Priority

‘Secure investment in infrastructure where it will do most to support growth’.

Freedom of Information

Executive Board papers are not made available under the Combined Authority Publication Scheme.

This paper is not exempt under [Part II of the Freedom of Information Act 2000](#)

Recommendations

The Board is asked to note the Delivery Plan Place Dashboard and to identify any further issues.

REPORT AUTHOR

Michael Hellewell

POST

Senior Programme Manager

Officer responsible

Mark Lynam

Organisation

Sheffield City Region Executive Team

Email

mark.lynam@sheffieldcityregion.org.uk

Telephone

0114 220 3442

Background papers used in the preparation of this report are available for inspection at: 11 Broad Street West, Sheffield S1 2BQ.

Other sources and references: n/a

Place

Integrated Infrastructure Plan Intervention Pipeline

Last updated on

02/11/18

Programme Status



Number of at risk projects

0

Activity	Lead	Organisation	What do we want to achieve in 2018-19? (Outcomes)	Status of Outcomes (RAG)	When did we start the activity?	When do we expect to finish the activity?	Delivery Risks	Progress Summary
SCR Energy Strategy & Delivery Plan	Colin Blackburn	The Carbon Trust	Completion of the Strategy and Delivery Plan	●	31/03/18	23/12/18	Scale of tasks greater than the available budget: Potentially sensitive policy issues requiring broad engagement and agreement	Phase 1 and 2 of the Study have been completed and supported by HIEB. The final Phase 3 is progressing with a draft vision and strategic priorities considered by HIEB in September. Production of the draft document has been rescheduled, to allow more time to complete baseline evidence and identify project opportunities, and a full strategy and delivery plan will be reported for consideration to HIEB in January 2019.
SCR Investable Opportunities Study	Michael Hellewell	Cushman & Wakefield	A well-developed and fully costed portfolio of SCR investment opportunities which is attractive to a range of potential investors	●	07/03/18	30/09/18	Work now completed, subject to discussion/sign off by the HIEB at its meeting on 15th November 2018.	Work now complete - on time and on budget. Cushman & Wakefield commissioned to carry out this activity in early March. Robust project management in place, with Project Team and Project Board meetings taking place in line with key project milestones. Draft report has been amended following feedback from Local Authority Teams/ Directors of Economic Development and the Project Board. Project Team to attend the HIEB meeting on 15th November 2018 to present the key findings/ final report and engage with Board members on key issues prior to final sign off of the work.
SCR LGF Scheme Pipeline	Colin Blackburn	Multiple delivery bodies	Continuing the ongoing funding approvals and delivery of commercial and public realm schemes	●	01/04/16	31/03/21	capacity of project sponsors to develop full business cases and deliver schemes; and declining funding availability, subject to a new devolution deal.	Ongoing activity to bring forward full business cases and schemes to delivery readiness, but several authorities have limited resources which are impeding schemes' progress. Additional schemes being considered through Assurance may add to the project pipeline.
Housing and Infrastructure Executive Board	Colin Blackburn/ Michael Hellewell	SCR Executive Team/ SCR CA	An Executive Board which provides high quality advice and endorsement of investments to the Combined Authority.	●	Ongoing	Ongoing	Inability to managed the 'workload' of the Board and/ or reduced attendance impacting on the Boards credibility and subsequent ability to provide robust and consistent advice to the CA.	Future meeting dates to be set to ensure alignment to Combined Authority meetings. A forward plan of activity/ decisions is now in place and is updated regularly in consultation with the Chair.

Place

Affordable Housing, Quality and Growth

Last updated on Programme Status Number of at risk projects

Activity	Lead	Organisation	What do we want to achieve in 2018-19? (Outcomes)	Status of Outcomes (PAC)	When did we start the activity?	When do we expect to finish the activity?	Delivery Risks	Progress Summary
SCR Housing Fund (HF)	Michael Hellewell	SCR CA/ Multiple Delivery Bodies	Robust governance arrangements in place to support timely investment decisions on behalf of the MCA. Approval of all schemes up to the original value of the fund (£10m) by the end of the current Financial Year. Starts on sites and delivery of individual schemes in line with agreed milestones. Business Case for a further allocation of Local Growth Funds to the HF developed and submitted for appraisal and onward investment decision by the CA.	●	01/03/17	31/03/19	An inability of scheme promoters to deliver schemes against the milestones set out in the FBCs. From early September 2018, and for a period of up to 6 weeks, there has been no dedicated resource/ capacity/ expertise in the SCR Executive Team to manage the fund and support scheme promoters to develop high quality and compliant FBCs. Changes in LEP Board membership have led to a difficulty in scheduling HIB meetings which are quorate - this issue should be resolved during November as new LEP Board Member(s) are allocated to the HIB.	Senior Programme Manager to support the development of HF scheme FBCs now recruited and due to start mid-November. FBC for an enhancement to the HF from LGF of up to £15m now submitted for appraisal and consideration by the MCA by the end of December 2018. Full review of HF schemes undertaken and to be presented to the HIEB at its meeting on 15th November 2018. Expect up to 3 schemes to come forward for consideration by the HIB in November 2018.
More New Homes	Colin Blackburn	SCR MNH Steering Group	Embedding MNH activity as part of the development of the SCR Housing Programme. Continued engagement with partners responsible for SOAHP scheme delivery, ensuring the use of flexibilities from HE are maximised.	●	2016/17	Ongoing	Medium term - resource/ capacity in the SCR Team to support this work and continue effective engagement with partners	Affordable Housing target of 1,360 pa identified within MNH Bid. MNH SG overseeing the delivery and is developing a Action Plan.
SCR Housing Affordability Study	Michael Hellewell	Huw Jones Consulting	The full study	●	18/06/18	30/09/18	Work now completed, subject to discussion/ sign off by the HIEB at its meeting on 15th November 2018.	Work now complete - on time and on budget. First draft was amended following comments from Local Authority Housing Directors. Final version to be presented to the HIEB for discussion/ sign off at its meeting on 15th November 2018.
SCR Housing Programme & Prospectus	Michael Hellewell/ Colin Blackburn	SCR MCA	A robust and fully costed (high level) Housing Investment Programme for the SCR developed - forming the basis for future investment decisions, as well as discussions with Government	●	01/01/18	31/12/18	Lack of sufficient/ available information to enable a manageable and deliverable programme to be identified and developed from the current 285 schemes in the 'long list' pipeline. Lack of resource/ capacity in the SCR Team due to other priorities (during August, September & October).	Work ongoing in liaison with partner Local Authorities. To be presented to the HIEB at a future meeting (date tbc).
SCR Housing (Devolution) Deal	Colin Blackburn/ Michael Hellewell	SCRCA	A deal agreeing devolved powers/ funding to support the expansion of the SCR Housing Fund and to progress SCR's ambition to move towards 'an annual conversation on a multi-year funding package/ programme with Government' to support SCR's housing priorities.	●	01/06/18	31/03/19	Inability of SCR partners to clearly articulate the scale of the opportunity/ challenge to Central Govt. Engagement and support of MHCLG and HM Treasury.	Work ongoing in liaison with partner Local Authorities. Subject to a steer from the Mayor and subsequent agreement by the MCA.
MMC/Off-Site Scoping Work	Colin Blackburn	SCRCA	Building on the work of the MNH Steering Group - provide the HIEB with a range of options for consideration in terms of the housing and wider economic benefits/ opportunities/ risks of a SCR CA approach to MMC/ OSC.	●	Summer 2017	tbc	Adequate SCR resources and budget to implement any actions	MMC Sub-Group of the MNH Steering Group produced a summary of most of the available products for off-site construction, highlighting the pros and cons of each. Members of the MNH SG/ Housing Compact sharing their experience of pilot MMC used. Discussion paper required to HIEB 11th May 2018.
SCR Housing Summit	Michael Hellewell	SCR CA/ Multiple Delivery Bodies	A high profile event supported by high level Govt Official and/ or Ministerial attendance. Options currently under consideration include a) an event which showcases SCR's approach to housing growth targetted at the development/ investment sectors or b) a roundtable event that provides input and support for future discussions with Government.	●	tbc	tbc	Budget and sponsorship for the event yet to be agreed. Overall format subject to a steer from the Mayor and subsequent agreement by the MCA.	Early planning meeting taken place - subject to further internal discussion, as well as with Local Authority partners via the SCR Housing Directors Group. Subject to a steer from the Mayor and subsequent agreement by the MCA.

Page 17 of 17

Place

Land & Assets and Joint Planning Approaches

Last updated on 02/11/18

Programme Status ●


Number of at risk projects 4

Activity	Lead	Organisation	What do we want to achieve in 2018-19? (Outcomes)	Status of Outcomes (RAG)	When did we start the activity?	When do we expect to finish the	Delivery Risks	Progress Summary
SCE Estates Transformation Strategy	Nick Rousseau	Turner & Townsend	Agree an Estate Transformation Strategy and an Implementation Plan.	●	01/03/18	30/10/18	Getting agreement across partners on the Strategy and Implementation Plan. We cannot get agreement in SCR to use OPE budget for the additional capacity needed.	Discussions with JAB and ideas for a Strategy but these to be discussed and ideas sought at major Stakeholder Workshop on 6 September and JAB on 7 September.
CA Group Strategic Assets Management Strategy	Colin Blackburn	Turner & Townsend	Complete Phases 1&2 and commission Phase 3	●	01/04/18	31/10/19	Reaching agreement on the asset management arrangements to be put in place.	Phase 1 nearly completed. Phase 2 commissioning being planned. Starting to plan for development of asset management approach.
SCR DIC Statement/Statements of Common Ground	Garreth Bruff	SCR Heads of Planning	An agreed strategic position on housing growth and other strategic matters to support local plans and their duty to cooperate	●	01/12/17	30/01/18	Obtaining agreement by all local planning authorities and the MCA, reflecting differing stages of local plans across the city region. Securing support and officer time within districts to collate evidence and prepare an agreed narrative.	Draft work has been reviewed by Planning Policy managers in light of new NPPF requirement for LPAs to develop 'statements of common ground'. The scope for an SCR wide statement of common ground is being prepared and reported to Heads of Planning to agree in November. The aim is to have a draft statement prepared for the end of January 2019, as a basis for more detailed work over 2019.
Continuous improvement of planning services	Colin Blackburn	SCR Heads of Planning	An more consistent and standardised approach to planning services, with sharing of best practice	●	01/11/18	30/06/19	Obtaining agreement by all city region authorities and the CA; securing staff time and input from individual districts over the course of the review.	Presentation made by PAS to Heads of Planning in June. Draft proposal for an SCR wide review agreed in principle by SCR Heads of Planning in September. Work underway to secure financial support and staff time from individual LPAs.
SCR Strategic Employment Land Appraisal	Garreth Bruff	to be procured	A more joined up understanding of current employment land and how this meets the ambitions set out in the Strategic Economic Plan	●	15/06/18	tbc	Obtaining agreement and a contribution to costs from local planning authorities; avoiding conflicts with local plan processes.	Draft brief for the study agreed by SCR Heads of Planning in September along with financial contributions for the work to cover estimated costs. The brief is currently being developed into a full commissioning document so that external support to carry out the work can be procured.
SCR Strategic Housing Market Area Study	Michael Hellewell/ Garreth Bruff	tbc	The full study	●	tbc	tbc	tbc	Consideration being given to scope of this work and how it could be rolled into work on statements of common ground (line 8) in light of recent developments
Local Full Fibre Networks & 5G	Colin Blackburn	tbc	submission and confirmation of a successful integrated strategic bid	●	01/03/18	30/06/18	Agreement to submit a joint SCR bid, with indicative proposals for local funding contributions	Draft proposals being developed with a view to preparing a schemes and funding package proposal to Government by June 2018
One Public Estate funded projects	Nick Rousseau	Run largely through our LA partners	A number of developments releasing land for housing	●	01/04/17	31/03/19	Maintaining contact with the projects and monitoring progress now that OPE funds have largely been spent but outcomes not yet delivered for a number of years.	Five projects funded under 3, 4, 5 phases are progressing well. We have been allocated a further £240k revenue and £450k capital under the 6th phase and Land Release Fund. Filling vacancies to take these new projects forward.
Joint Assets Board	Nick Rousseau	SCRMCA	Transition to new arrangements as set out in the ETS and Implementation Plan.	●	Ongoing	Ongoing	Could see tensions between roles of different boards and their reporting lines. Some partners may not sign up to new arrangements.	JAB board is ongoing with growing membership and coverage of public sector bodies.






Place

Infrastructure Funding Packages

Last updated on 28/08/18

Programme Status 

Number of at risk projects 3

Activity	Lead	Organisation	What do we want to achieve in 2018-19? (Outcomes)	Status of Outcomes (RAG)	When did we start the activity?	When do we expect to finish the activity?	Delivery Risks	Progress Summary
Placed Based Funding Packages for Urban Centres & Major Growth Areas	Colin Blackburn	SCRCA / Cushman & Wakefield	Confirmation of place based packages, and advanced discussions with Gov't on a related Devolution Deal and other partners' ownership and funding alignment		ongoing	ongoing	Funding partners do not buy-in or contribute to place based funding packages	The IIP Investable Opportunities commission is underway, which will be the first phase in identifying the opportunities in the Urban Centres and Major Growth Areas, including potential requirements for funding packages to deliver these.
JESSICA	Ben Morley	JESSICA Board	ongoing investment in further commercial schemes, with delivery on the ground and jobs created		Summer 2017	ongoing	Availability of funding and defaulting on loan payments reducing recycle funding pot for reinvestment in further schemes	Funded schemes are being delivered and a review is being undertaken on further opportunities. An update on progress was considered by HIEB on 9th Feb 2018. A request for further funding from LGF is currently being considered by the SCRCA following the Open Call.
SCR Enterprise Zone Business Case	Colin Blackburn	SCRCA	tbc		05/07/05	ongoing	Non-approval of SCR Business Case by Government limiting incentives and the attractiveness of the EZ for commercial development	Awaiting formal response from Government to the SCR Business Case. Have had verbal confirmation from BEIS that business rate relief is to end on applicable EZ sites on the 31st March 2018. Consideration being given to next steps.
SCR Enterprise Zone Annual Audit	Colin Blackburn	TBC Procurement underway	Updated position on EZ delivery performance		01/10/18	01/12/18	failure to appoint a consultant to undertake the Audit	Procurement is underway for consultant to undertake an annual audit.
Land Acquisition Programme	Colin Blackburn	SCRCA / LAs	Acceleration in the delivery of additional commercial and housing development		tbc	tbc	lack of available finance and resources to acquire and manage additional land assets	Initial consideration is being given to the opportunities for land acquisitions to accelerate development in SCR Major Growth Areas.

Place Infrastructure Funding Individual Schemes

Last updated on 28/08/18

Programme Status ●

Number of at risk projects 1

Page 180

Activity	District	Lead	What do we want to achieve in 2018-19? (Outcomes)	Status of Outcomes (RAG)	When did we start the activity?	When do we expect to finish the activity?	Delivery Risks	Progress Summary	Spend in 18/19
L0038D highway infrastructure to unlock employment site	Barnsley	Laurie Thomas	Contract in place and delivery commenced	●	ongoing	January 2019	FBC submission delayed by sponsor. Scheme subject to external audit	FBC submission October 2018	Yes
L0059P highway infrastructure to unlock employment site	Barnsley	Laurie Thomas	Contract in place and delivery commenced	●	ongoing	January 2019	FBC submission delayed by sponsor. Scheme subject to external audit	FBC submission October 2018	Yes
L0073D Town centre office, retail and leisure accomodation	Doncaster	Laurie Thomas	Contract in place and delivery commenced	●	ongoing	December 2018	Scheme subject to external audit	FBC submitted end July 2018. Appraisal underway	No
L0036C Town centre redevelopment	Doncaster	Laurie Thomas	Contract in place and delivery commenced	●	ongoing	October 2018	Scheme subject to external audit. Outcomes from earlier phases tied to delivery of this phase of scheme.	FBC submitted and appraisal underway.	No
L0037C highway infrastructure to unlock employment site	Bassetlaw	Laurie Thomas	Contract in place and delivery commenced	●	ongoing	November 2018	Delay in submission of FBC leading to delays in commencement	FBC submission delayed by sponsor	Yes
L0122P Harrison Drive, Langold Units	Bassetlaw	Laurie Thomas	Contract in place and delivery commenced	●	May 2018	October 2018	Delay in submission of FBC leading to delay in commencement. Risks spend in year.	Endorsed by HIEB via written procedures MCA 29th October 2018	Yes
L0135P National Centre of Excellence for Food Engineering	Sheffield	Laurie Thomas	Contract in place and delivery commenced	●	May 2018	October 2018	Delayed decision risks spend in year.	Endorsed by HIEB via written procedures MCA 29th October 2018	Yes
L0113P loan for infrastructure works for expansion of visitor attraction	Doncaster	Laurie Thomas	Contract in place and delivery commenced	●	May 2018	November 2018	Delayed decision risks spend in year.	FBC to be submitted October 2018	Yes
L0114P Etna Heritage Hangar	Doncaster	Laurie Thomas	Contract in place and delivery commenced	●	May 2018	October 2018	Delayed decision risks spend in year.	FBC submitted August 18, undergoing appraisal.	Yes
L0108P Gullivers World	Rotherham	Laurie Thomas	Contract in place and delivery commenced	●	May 2018	November 2018	Delay in submission of FBC leading to delay in commencement. Risks spend in year.	FBC due 6th august, sponsor working through clarification questions.	Yes
L0071P capacity improvement to strategic transport facility	Doncaster	Laurie Thomas	Contract in place and delivery commenced	●	July 2018	December 2018	If MCA decision delayed beyond October the project would not go ahead.	FBC submitted and appraised. Outstanding clarification question.	Yes
L0079A town centre redevelopment	Barnsley	Laurie Thomas	Contract in place and delivery commenced	●	September 2018	January 2019	Delay in submission of FBC leading to delay in commencement. Risks spend in year.	OBC due 16th November	Yes
L0102P town centre employment space	Barnsley	Laurie Thomas	Contract in place and delivery commenced	●	September 2018	January 2019	Delays in submission of FBC leading to delay in commencement. Risks spend in year.	FBC due 16th November	Yes

**SCR HOUSING AND INFRASTRUCTURE EXECUTIVE BOARD (HIEB)
PROPOSED FORWARD PLAN – AS AT 06/11/18**

Housing and Infrastructure Executive Board (HIEB)		
Category	Meeting Date: January 2019 (date tbc) Report Deadline: tbc	Meeting Date: March 2019 (tbc) Report Deadline: tbc
Business Items (including Project and Programme Management)	<ul style="list-style-type: none"> • Capital Programme Endorsements • Pilot Housing Fund - Delegated Decisions Report 	<ul style="list-style-type: none"> • Capital Programme Endorsements • Pilot Housing Fund - Delegated Decisions Report
For Discussion	<ul style="list-style-type: none"> • SCR Investable Propositions: Final Report & Presentation (Stephen Miles, Cushman & Wakefield) • MIPIM 2019 • SCR Energy Strategy – draft strategy and delivery plan • SCR Enterprise Zone Audit – report 	<ul style="list-style-type: none"> • SCR Statement of Common Ground – draft statement • SCR Housing Programme – programme proposals
Updates	<ul style="list-style-type: none"> • Update on Planning evidence and Duty to Cooperate • Place Delivery Plan: Dashboard • Pilot Housing Fund: Update and Decision Schedule • Joint Assets Board Minutes • Homes England Programme • Housing Association Joint Venture 	<ul style="list-style-type: none"> • Place Delivery Plan: Dashboard • Pilot Housing Fund: Update and Decision Schedule • Joint Assets Board Minutes • Homes England Programme • Housing Association Joint Venture

This page is intentionally left blank