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| **From:** | [redacted] |
| **To:** | |
| **Cc:** | |
| **Subject:** | RE: Publication (Pre-submission) Draft Sheffield Plan 2022 (Rula: Hesley Wood) |
| **Date:** | 20 February 2023 18:38:03 |
| **Attachments:** | image001.jpg<br>image002.jpg<br>image003.gif<br>image004.jpg<br>image005.jpg<br>image006.jpg<br>image007.jpg<br>image008.jpg<br>image009.png<br>image010.jpg<br>P4443-SPA-RP-TP-003-B- Local Plan Reps.pdf<br>Appendix 1 - Market Assessment - Final report (low res).pdf<br>Appendix 2 - Delivery Framework.pdf<br>Appendix 3 - Green Belt Assessment.pdf |
| **Importance:** | High |

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Hi,
On behalf of Rula Developments, please find attached our response to the Pre-Submission Draft Sheffield Local Plan consultation for their site at the former Hesley Wood tip, known as J35 Sheffield Gateway.
We trust that you will confirm that these representations are duly made and will give due consideration to these comments.
Please do not hesitate to contact us to discuss any issues raised in this Representation further.
All the best, Andy

Kind regards
ANDREW ROSE
Associate Director: Chartered Town Planner
BSc (Hons), MSc, PG DIP, MRTPI

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**From:** SheffieldPlan <sheffieldplan@sheffield.gov.uk>
**Sent:** 09 January 2023 10:56
**Subject:** Publication (Pre-submission) Draft Sheffield Plan 2022

Dear Agent

**Publication (Pre-submission) Draft Sheffield Plan 2022**
**Consultation pursuant to Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012**

We are preparing a new local plan, which, when adopted, is expected to be called "the Sheffield Plan". Following public consultation on 'Issues and Options' in 2020, the Publication (Pre-submission) Draft Sheffield Plan is now ready for consultation. The Publication Draft Plan represents the Council's formal proposals on how the city should grow and develop over the period to 2039. It covers the whole of Sheffield except for the part of the city that is in the Peak District National Park. We are asking for comments and feedback on whether the Plan has been prepared in accordance with legal and procedural requirements, and whether it is sound. Plans are sound if they are:

a) **Positively prepared** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;

b) **Justified** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;

c) **Effective** – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and

d) **Consistent with national policy** – enabling the delivery of sustainable development in accordance with the policies in the National Planning Policy Framework and other statements of national planning policy, where relevant.

**The statutory public consultation is available for a 6-week period from Monday 9 January to Monday 20 February 2023.** A full **Statement of the Representations Procedure** is attached to this email.

**You can read the Publication Draft Sheffield Plan on the Consultation Portal on the Council's website.** You can also view the other supporting documents that we will be seeking comments on, together with other background documents that you may find helpful to refer to.

**To make your comments visit the Consultation Portal from 9 January. Please make your comments no later than 11.59 pm on Monday 20 February.**

Details of all the consultation events are also available on the Consultation Portal (which can also be accessed from the Council's website).

**Why we are writing to you**

We are writing to you as you as a statutory consultee or because you have previously expressed an interest in being kept informed about the new local plan. Consequently, you are on our mailing list of contacts for this group and will have signed up to our 'terms and conditions'.

**The data you give us**

Under the General Data Protection Regulation 2016 (GDPR) and Data Protection Act 2018 (DPA) Sheffield City Council is a Data Controller for the information it holds about you. The lawful basis under which the Council uses personal data for this purpose is consent.

All representations are required to be made public and will be published on the

Council's website following this consultation. Your representations and name/name of your organisation will be published, but other personal information will remain confidential. Your data and comments will be shared with other relevant agencies involved in the preparation of the local plan, including the Planning Inspectorate. Anonymous responses will not be considered. Your personal data will be held and processed in accordance with the Council's Privacy Notice which can be viewed at: https://www.sheffield.gov.uk/utilities/footer-links/privacy-notice

**How to contact us**

If you would have difficulty accessing any of the consultation documents via our website or accessing the Consultation Portal, or you need any further advice or information, please contact us at sheffieldplan@sheffield.gov.uk. You can call us on 0114 2735274.

Please also email us at the above address if you no longer want us to contact you about the Sheffield Plan.

Yours faithfully

[redacted]

Simon Vincent
Strategic Planning Service Manager
Planning Service
Sheffield City Council

spawforths

Rula Developments

# Sheffield Plan: Publication (Pre-Submission) Draft

## Development Plan Representation

## J35 Sheffield Gateway (Hesley Wood)

February 2023

# 01 Introduction

## Introduction

**1.1** Spawforths have been instructed by Rula Developments (Rula) to submit representations to the Sheffield Plan Publication (Pre-Submission) Draft, for their site at the former Hesley Wood tip, known as J35 Sheffield Gateway.

**1.2** Rula welcomes the opportunity to contribute to the emerging Local Plan for Sheffield and is keen to further the role of Sheffield within the Yorkshire and Humber Region as a whole.

**1.3** Rula has significant land interests in Sheffield, which can positively contribute towards the economic growth agenda, providing a long term comprehensive approach to the sustainable growth of Sheffield.

**1.4** Rula would like to make comments on the following topics and sections of the Sheffield Local Plan (Pre-Submission) Draft:

- General Comments
- Vision, Aims, and Objectives
- Policy SP1: Overall Growth Plan
- Policy SP2: Spatial Strategy
- Policy SA1: Central Sub-Area
- Policy SA2: Northwest Sheffield Sub-Area
- Policy SA3: Northeast Sheffield Sub-Area
- Policy SA4: East Sheffield Sub-Area
- Policy SA5: Southeast Sheffield Sub-Area
- Policy SA6: South Sheffield Sub-Area
- Policy SA7: Southwest Sheffield Sub-Area

- Policy SA8: Stocksbridge/Deepcar Sub-Area
- Policy SA9: Chapeltown/High Green Sub-Area
- Policy ES1: Measures required to achieve Reduced Carbon Emissions in New Development
- Policy ES2: Renewable Energy Generation
- Policy ES3: Renewable Energy Networks and Shared Energy Schemes
- Policy ES4: Other Requirements for the Sustainable Design of Buildings
- Policy GS6: Biodiversity Net Gain
- Policy GS7: Trees, Woodlands and Hedgerows
- Policy DC1: The Community Infrastructure Levy (CIL) and Other Developer Contributions

**1.5** In each case, observations are set out with reference to the provisions of the Framework and where necessary, amendments are suggested to ensure that the Local Plan is found sound.

**1.6** Rula welcomes the opportunity for further engagement and the opportunity to appear at Examination in Public.

**1.7** We trust that you will confirm that these representations are duly made and will give due consideration to these comments.

**1.8** Please do not hesitate to contact us to discuss any issues raised in this Representation further.

# National Planning Policy context and Tests of Soundness

**1.9** The Governments core objectives as established through the 2021 National Planning Policy Framework (the 2021 Framework) are sustainable development and growth. Paragraph 11 of the 2021 Framework stresses the need for Local Plans to meet the objectively assessed needs of an area. The 2021 Framework sets out to boost significantly the supply of homes and ensure that a sufficient amount and variety of land can come forward where it is needed. In terms of building a strong and competitive economy the 2021 Framework states that planning should help create the conditions in which businesses can invest, expand and adapt. The key focus throughout the 2021 Framework is to create the conditions for sustainable economic growth and deliver a wide choice of high quality homes and well-designed places.

**1.10** In relation to Local Plan formulation, paragraphs 15 to 37 of the 2021 Framework state that Local Plans are the key to delivering sustainable development which reflect the vision and aspirations of the local community. The 2021 Framework indicates that Local Plans must be consistent with the Framework and should set out he opportunities for development and provide clear policies on what will and will not be permitted and where. Paragraph 22 is clear that the Strategic policies should look ahead over a minimum period of 15 year period, and where larger scale development such as new settlements or significant extensions to existing villages and towns form part of the areas strategy, then policies should look ahead over a period of at least 30 years.

**1.11** In relation to the examination of Local Plans, paragraph 35 of the 2021 Framework sets out the tests of soundness and establishes that:

*Local plans and spatial development strategies are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound' if they are:*

- ***Positively prepared*** *– providing a strategy which as a minimum, seeks to meet the area's objectively assessed needs[1]; and is informed by agreements with other authorities, so that unmet needs from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development.*

- ***Justified*** *– an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;*

[1] NPPF 2021, Footnote 21 – where this relates to housing, such needs should be assessed using a clear and justified method, as set out within paragraph 61 of this Framework

- ***Effective*** *– deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and*

- ***Consistent with national policy*** *– enabling the delivery of sustainable development in accordance with policies in this Framework and other statements of national planning policy, where relevant.*

**1.12** This document therefore considers the content of the Regulation 19 Sheffield Local Plan on behalf of Rula in the light of this planning policy context.

# 02 General Comments

## General Comments

**2.1** The Council's approach to the Local Plan is unsound.

## Justification

**2.1** Rula is concerned that the evidence base which supports the Plan appears incomplete and in places lacks clarity. The Framework requires Local Plans to be based on a sound and up-to-date evidence base which identifies a development need and reflects the locational characteristics of the City. It is therefore difficult to comment in depth where there is little supporting information.

**2.2** Furthermore, as is demonstrated in these representations not all reasonable alternatives have been considered in the preparation of the Local Plan. This could be due to the approach towards decision making on the Spatial Strategy, which does not reflect how Local Plans should be produced.

**2.3** Local Plans should reflect evidence on employment and housing need and the appropriate Spatial Strategy should be devised that meets those needs. However, this Local Plan is based on a strategy of only meeting the employment and housing needs that can be met within the chosen Spatial Strategy option of the Council and therefore the full needs will not be met as that would take the Local Plan outside of the chosen strategy option.

**2.4** Climate Change, Economy and Development Transitional Committee were presented Five Spatial Strategy Options on 13th January 2022, as follows:

- Option 1: An urban capacity approach – brownfield only.
- Option 2: As Option 1 but with previously undeveloped land within the urban area also allocated where this is considered sustainable.
- Option 3: As Option 1 & 2 plus sustainably located brownfield Green Belt sites.
- Option 4: As Option 1, 2 & 3 plus release of sustainably located greenfield (previously undeveloped) sites in the Green Belt for development where there are site specific exceptional circumstances to justify altering the Green Belt boundary.

- Option 5: As Option 1, 2, 3 & 4 plus release of sufficient greenfield (previously undeveloped) sites in the Green Belt to meet the full housing need figure, as calculated using the Government's standard methodology.

**2.5** Each option was accompanied by a maximum number of homes per year that could be delivered through that option. The debate that followed therefore focussed on the type of sites being identified first and meeting the housing needs second. There was very little, if any, debate on satisfy employment growth, which was not effectively incorporated into the committee report except for a few paragraphs on growth at AMID through Options 4 and 5. Therefore, Members could not, and did not, make an effective decision on satisfy employment needs through the information presented.

**2.6** This approach to decision making is unsound as it is not evidence-led on employment and housing need.

**2.7** Furthermore, the evidence showed that to meet the housing need greenfield Green Belt sites should be released. However, Members focussed on the types of sites and housing only, devised that the Council would not meet its housing need and chose Option 3.

**2.8** There was no derivation or understanding in relation to employment land though each Option. There is reference and an acceptance by the Council earlier on in the Cooperative Executive report of 19th January 2022 to utilise the Green Belt for employment land, however there is no reference in each Option to potential quantum of land and how that reflects the need. Paragraph 1.4.7 states that Members should "take into account the shortfall in the overall supply of employment land to 2039, as well as the potential to provide additional, better-quality land that would be suitable for logistics and manufacturing; possibly on the east of the city, close to the M1 Motorway".

**2.9** Option 3 was put forward as it would include two brownfield Green Belt sites. These are mentioned in the Transitional Committee report at para 1.6.12, which states that "there are two large brownfield sites in the Green Belt that adjoin the existing urban area. We estimate that, in total, these sites could have capacity for up to 1,100-1,200 homes but they could also be suitable for employment use. Adding these sites to the supply could enable a housing requirement of up to 2,305 per year (see Appendix)." The two brownfield sites are again mentioned in the Options in the appendix.

**2.10** The Cooperate Executive Report of 19th January 2022 goes further in the accompanying Equality Impact Assessment by highlighting the two sites, which are at Norton and Chapeltown. Members therefore took the decision on the preferred Spatial Option in full cognisance that these two sites would be identified in the Plan.

**2.11** Ultimately only a portion of the former Norton aerodrome was released from the Green Belt for an element of housing and the Chapeltown site has not been identified without any explanation, even though it was subject to the consideration of Members.

**2.12** The Chapeltown site is a derelict former spoil heap known as the Hesley Wood tip, which formed part of Smithy Wood Colliery and will be covered in greater detail later on in these representations (in response to Policy SA9). The site is being promoted by Rula for employment purposes and a

Delivery Report is attached at Appendix 1. However, the specific circumstances of the site are highlighted in Spatial Option 3 as follows:

- Para 1.6.12: Could also be suitable for employment use
- Para 1.6.15: the benefits include: "it provides additional opportunities for family sized housing in suburban locations and/or employment".
- Para 1.6.15: the benefits include: "it would enable the reclamation of derelict/brownfield sites".
- Para 1.6.16 indicates that due to reclamation costs there could be a stronger argument for releasing the sites for employment use.

**2.13** Therefore, the decision to not include the Chapeltown site is unsound.

**2.14** The evidence base shows that the Council has not assessed all sites and therefore Members could not understand what sites would be identified within each option. The information presented as part of the consideration of Spatial Options is ill informed and unsound.

**2.15** Subsequently, only sites that fit within Spatial Option 3, as perceived by the Council, have been assessed and considered. The consideration of reasonable alternatives has therefore not occurred. The approach towards the Plan is therefore unsound.

**2.16** The Hesley Wood site can only be considered within Spatial Option 3 as it is previously developed and previously disturbed land, as shown later on in these representations and the attached Delivery Report. The site does not fit within the description and definitions of Spatial Option 4 or 5 as it has been previously worked and is not "previously undeveloped" land. The approach the Council has followed is therefore unsound.

**2.17** The Plan does not include any strategic employment policies and therefore the approach to delivering the employment requirement and growth is not supported by an appropriate policy in the Plan. The Plan therefore does not satisfy the Framework. It does not demonstrate how it will meet economic objectives and meet the overall scale of need (para 20 & 32). The Plan also does not address Chapter 6 Building a Strong, Competitive Economy. The Plan is not in accordance with para 81 in creating "the conditions in which businesses can invest, expand and adapt". Para 82 sets out what planning policies should do, however with no strategic economic policy in the Plan, the Plan has failed to accord with the Framework in this regard. Furthermore, para 83 focuses on addressing specific sectors and locational requirements, and again the Plan has failed to address this aspect of the Framework.

**2.18** The Council has therefore clearly chosen a Spatial Option and identified sites to suit and not meet the identified employment need.

**2.19** Rula has commissioned its own evidence on employment need and supply in Sheffield and identifies a significant shortfall (Appendix 2). Furthermore, the Hesley Wood tip is previously developed land and should be identified through Spatial Option 3. This position is expanded upon later on in these representations.

Viability Assessment

2.20 Rula have undertaken a review of the HDH Planning and Development Whole Plan Viability Assessment (September 2022), which forms part of the evidence base. The difficulties in undertaking whole district Economic Viability Studies are not underestimated. However, it is important that a level of robustness and rigour of testing of the evidence base is undertaken due to the fundamental importance of this document in underpinning the policy direction for the whole plan period.

2.21 Rula note that due to the nature of property market in terms of its cyclical nature and the turbulence of build costs and revenues that any Viability Assessment can only be a point in time and will quickly become out of date. It is therefore clear that the proposed policies need to include more flexibility alongside ambitious demands to enable delivery.

2.22 The PPG states that the approach to viability should be: "proportionate, simple, transparent and publicly available". Further justification is required for several inputs and the raw data on revenues for example should be made available for scrutiny. Rula is concerned that the Appraisal assumptions and evidence base for many inputs are out of date. This should be reviewed and updated, but also highlights the reason for greater flexibility.

2.23 Rula would like to highlight issues with some of the assumptions within the Viability Appraisal, for example the costs for abnormals where only an allowance of 5% of the BCIS costs is included and that "abnormal costs will be reflected in land value. Those sites that are less expensive to develop will command a premium price over and above those that have exceptional or abnormal costs".

2.24 As the Council's focus in the Local Plan is on urban brownfield sites appropriate development costs should be incorporated into the Viability Appraisal. The Local Plan already highlights that the deliverability and viability of a number of sites is unknown.

2.25 Rula therefore considers that the Local Plan and its evidence base should be updated.

2.26 Rula therefore reserve the right to comment further on the Local Plan and policies when evidence and information is provided.

2.27 As currently drafted, Rula consider the Local Plan is unsound.

# Proposed Change

2.28 To overcome the objection and address soundness matters, the following changes are proposed:

- Update the evidence, including the Viability Appraisal.
- Reflect the evidence base within the Local Plan.
- Consider all reasonable alternatives, including Green Belt sites.

- Allocate the J35 Sheffield Gateway site at Hesley Wood tip for employment use.

# 03 Vision, Aims, and Objectives

## Vision, Aims, and Objectives

**3.1** The Vision and Objectives do not reflect the economic growth agenda. Furthermore, there is inconsistency between the Spatial Strategy, identification of sites and the Vision and Objectives. The Plan is therefore unsound.

## Justification

**3.2** The Vision is relatively positive. However, there is no mention of economic growth or employment growth. There are references to an "economically stronger, fairer and more inclusive city" and performing "a nationally significant economic role at the heart of its region". However, this is particularly vague and does not in turn foster the conditions for "economic growth" in accordance with the Framework.

**3.3** Rula's main concern is with the drafting and derivation of the Plan. The "Objectives for a Strong Economy" in paragraph 2.12 states:

*To ensure there is a sufficient range of locations, land and premises available for new businesses and those relocating from within the city and elsewhere that are of high quality and suitable for the needs of modern businesses.*

**3.4** Rula considers that the Plan does not reflect this Objective in under providing employment land compared to the identified employment requirement and not having the range, choice and location of employment sites to cater for modern requirements.

**3.5** Rula considers the strategic approach of the Plan is flawed. The sites are available and have been submitted to the Council to deliver an ambitious Plan for an ambitious City. However, the Plan does not reflect the Vision or Objectives as internally inconsistent.

**3.6** The Sheffield Local Plan is unsound as drafted.

# Proposed Change

**3.7** To overcome the objection and address soundness matters, the following changes are proposed:

- Update the Local Plan and identify further employment sites.
- Allocate the J35 Sheffield Gateway site at Hesley Wood tip for employment purposes.

# 04 Policy SP1

## Policy SP1: Overall Growth Plan

**4.1** The Local Plan is not addressing the identified employment requirement and does not reflect the evidence base, national policy and guidance and is therefore unsound.

## Justification

**4.2** Policy SP1 identifies in bullet point b that Sheffield identified need for employment is 12.9ha per year up to 2039. This equates to 219.3ha over the 17 year Plan period. This is split 2.9ha per year for offices and 10ha per year for industrial development.

**4.3** Paragraph 3.14 identifies that the Council has identified 171ha of employment land, which comprises sites with existing planning permission and proposed site allocations. This is 48.3ha short of the identified employment land requirement. The Council indicates that this shortfall will be addressed through recycling sites and that there will be sufficient 'churn' of economic land within the city and flexibility throughout the rest of the region to ensure the demand can be met throughout the Plan period.

**4.4** Therefore, in essence the Council will not meet the employment requirement as it is expecting existing employment sites to be redeveloped for employment use. Therefore, this is not 'new' employment land and just redeveloped employment land. Furthermore, the Council is expecting its shortfall to be met in adjacent authorities in the Sheffield City Region. However, it is evident from the Duty to Cooperate statement that there has been no discussion on this in recent months following the Spatial Option committees and any change of circumstances. The Duty to Cooperate Position Statement of December 2022 therefore is inaccurate and incorrect. Paragraphs 2.9 to 2.11 are incorrect in stating that the wider region can address the shortfall in identified logistics need and there is no agreement reached with neighbouring authorities, which have adopted Local Plans meeting their own needs (Barnsley, Rotherham and Doncaster) and one which is at Examination in Public (Bassetlaw).

**4.5** The Iceni Sheffield Logistics Study, dated December 2022 highlights in particular the potential for the proposed Bassetlaw employment allocation at Apleyhead. However, this Local Plan is still at Examination in Public and is the subject of outstanding objections, including by Rotherham MBC, which would like it restricted to B8 only uses. The Apleyhead scheme is still under consideration

by Inspectors and is justified on meeting the needs along the A1 corridor south of Doncaster to Newark. Therefore, this will not address the need for employment land in the Core PMA as identified in the Council's evidence base and along the M1 corridor.

**4.6** Therefore, the need for industrial and logistics needs cannot be accommodated in the wider region and importantly there are sufficient sites that can meet the employment needs within the boundary of Sheffield City on sites that are derelict land and have been previously developed/disturbed, such as the former Hesley Wood tip.

**4.7** This is not evident within the Council's evidence base as the Council has only assessed sites that meet its chosen spatial strategy, which as explained earlier in these representations is chosen on the types of sites and not on one that meets the identified need. Furthermore, the Council highlight in paragraph 3.14 that there is no specific requirement within the Framework to meet the identified employment need, however such an approach would be contrary to the Framework paragraphs 81, 82 and 83, which state:

- *Planning policies and decision should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development. The approach taken should allow each area to build on its strengths, counter any weaknesses and address the challenges of the future. This is particularly important where Britain can be a global leader in driving innovation, and in areas with high levels of productivity, which should be able to capitalise on their performance and potential. (para 81)*

- *Planning policies should:*

    - *(a) set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth, having regard to Local Industrial Strategies and other local policies for economic development and regeneration;*

    - *(b) set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;*

    - *(c) seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment; and*

    - *(d) be flexible enough to accommodate needs not anticipated in the plan, allow for new and flexible working practices (such as live-work accommodation), and to enable a rapid response to changes in economic circumstances. (para 82)*

- *Planning policies and decisions should recognise and address the specific locational requirements of different sectors. This includes making provision for clusters or*

*networks of knowledge and data-driven, creative or high technology industries; and for storage and distribution operations at a variety of scales and in suitably accessible locations. (para 83)*

**4.8** The Council's approach to employment land is further undermined by the distinct lack of a strategic employment policy, which again is contrary to the Framework and paragraphs 81, 82 and 83. This approach is even starker with the presence of a strategic housing policy through Policy H1.

**4.9** Rula also notes that within Policy SP1 and Policy H1 the Council has identified Broad Locations for future housing growth. However, there is no equivalent for employment land. Therefore, there is likely to be a housing/employment imbalance. Rula considers the equivalent long term sites for employment land should be identified in the Green Belt. In accordance with the Framework employment allocations and safeguarded land for longer term development needs should be identified and which can be released as a resource to ensure the employment needs of the City are met.

**4.10** The Council's strategy is focussed on the redevelopment of urban brownfield sites. Therefore, significant pressures exist through this Local Plan for competing uses and in particular housing and employment. There is little flexibility in this strategy. Furthermore, it is unclear from the evidence what allowances have been made for losses and given the focus on urban brownfield sites whether, if an allowance has been accounted for, it is sufficient.

**4.11** It is interesting that the Iceni Sheffield Logistics Study (December 2022) identifies a shortfall in provision and a gap in the market, which should be provided for. Iceni reviewed potential sites in Table A1.2 and A1.3 which shows that Hesley Wood as the best site capable of accommodating a large area suitable for B8 with good direct access to the M1 Junction 35.

**4.12** Rula has commissioned Savills to review the employment evidence and assess the need and demand for Industrial and Logistics within Sheffield and the wider region. This report is appended to these representations (Appendix 2) and is summarised below:

# Savills Industrial and Logistics Needs Assessment (February 2023)

**4.13** Savills Report reviews the Property Market Areas, key trends in the Industrial and Logistics sector, the Council's evidence base, the Industrial and Logistics (I&L) market, potential supply and future demand assessment, before highlighting the economic and employment benefits of a robust I&L sector and specific benefits of the Hesley Wood site.

## Key Trends

**4.14** Savills' discuss some of the key trends that have been driving growth in the I&L sector. Savills' draw upon analysis from Savills' recent publication for the British Property Federation "*Levelling-up – The Logic of Logistics*"12, Savills' *Big Shed Briefings* and other relevant research.

4.15 Not only has the I&L sector been outperforming other commercial sectors in the UK for some time, but it is also 'critical national infrastructure' that supports the functioning of our economy and the way we live our lives. The food we eat, the products and services we purchase, the materials used to build new homes and new infrastructure, even the vaccines that give us protection from Covid-19 are stored, manufactured and distributed from warehouses and factories to 'us' the end customer.

4.1 The I&L sector enables the movement of goods across a multi-modal network of road, rail, air, and water routes. Most businesses draw on supply chains - many of which are global in scale - that rely upon these multiple modes of transport and on the transfer between freight nodes (such as ports, airports, rail freight interchanges and road) to warehouses and then finally onto the end customer. Without these facilities and the increasingly efficient supply chains that link them with suppliers and end customers, the delivery of our purchases would be much slower, more expensive and we would have less choice.

4.2 Within the warehouses and industrial sectors, including supply chains, lie a diverse array of skill-based occupations. Over the past 10 years, there has been a shift away from mainly managerial and warehouse operation roles, and an increase in more technological, trained and skilled occupations, while there has been a decrease in managerial positions. The focus has been shifted to allowing more specialists to work within particular roles, allowing the workforce to diversify across all occupation groups with varied skillsets.

National and Regional Property Context

4.3 Both logistics and manufacturing businesses, which together make up the I&L sector, require similar, shed-type properties (including ancillary offices). In terms of location, they both desire highly accessible sites nearby to motorway junctions and other freight handing infrastructure as well as major population centres.

4.4 In 2021, Savills Big Shed Briefing (which assesses I&L premises above 100,000 sq.ft.) found that gross take-up nationally reached a new annual record of 5.12 million sq.m, 86% above the annual average. The number of transactions nationally was 220, surpassing the previous record of 172 in 2020. The 2022 mid-year findings of the Big Shed Briefing reported that Quarter 2 (Q2) was the second best Q2 on record and that overall take-up for half-year (H1) reaching a new record of 28.6 million sq.ft., surpassing last year's total and exceeding the H1 long-term average by 90%. The full year figures for 2022 showed that despite increasing economic headwinds, it was the third highest year for take-up on record.

4.5 Strong take-up has meant that the supply of premises nationwide has fallen at its fastest pace ever, with a national vacancy rate estimated to be about 3% at the end of 2022. There is a particularly severe shortage of supply of the high quality Grade A space, and given the increasing costs associated with running warehouses it comes as no surprise that occupiers are gravitating towards better quality buildings with better Environmental, Social and Governance (ESG) features

4.6 Savills Big Shed Briefing also covers the Yorkshire and North East region, finding that take-up in 2022 was just slightly below 2021's record-breaking year. 2022 ended with take-up reaching 7.3 million sq.ft. Supply remained at chronically low levels, with vacancy standing at just 2.5% in at the end of 2022 which equates to just 0.23 years' worth of supply. The report notes that only

22% of supply is Grade A, with the rest being Grade B or C.20 A vast proportion of this space is unlikely to accommodate modern occupier requirements. This is in light of rising concerns surrounding the suitability of a unit, particularly referencing its ESG credentials, power availability and amenities.

Current I&L Growth Drivers

**4.7** The I&L sector is facing an era of unprecedented change. The past decade has seen the sector undergo a remarkable transformation, reshaping operating models and occupier requirements in ways that are only starting to become recognisable as an industry-wide phenomenon. Logistics uses in particular have shown strong performance for a number of years, but the Covid-19 pandemic has exacerbated existing trends. This has driven demand up even further for logistics floorspace while adversely impacting other commercial sectors such as retail and offices.

**4.8** Savills consider the shift in habits we have been witnessing – such as the extraordinary growth in online retailing – to be structural rather than temporary. As the country's population continues to grow, so will I&L floorspace needs to support household consumption and other sectors of the economy. Statistics collected by the ONS from November 2006 show that the share of internet sales has consistently increased over time and it was at 19% before the onset of the Covid-19 pandemic. During the pandemic, due to lockdowns and restrictions this figure increased considerably and is around 30.2% as of November 2022.

**4.9** Most commentators agree that online retailing will continue to grow from a higher base than before the pandemic due to behavioural changes such as increased home working and continued demand for rapid parcel deliveries. Forrester Research, a respected source of online retail projections, estimate that online retail will continue to grow but from a higher base reaching 37% by 2025. While we appreciate these are just future estimates many online retailers and commenters see online growth moving to 50% of total online sales as being inevitable. One such report, 'The Digital Tipping Point, 2019 Retail Report,' estimated retail sales would reach 53% by 2028. While this timeframe appears far too ambitious, the question appears to be more of 'when' rather than 'if.'

**4.10** The growth in online shopping has significant implications on future I&L demand given that e-commerce requires around 3 times the logistics space of traditional bricks-and-mortar retailers. The link between this growth and warehouse demand is well exemplified and shown in the Savills report on Page 21. As the percentage of online sales reached a record high in 2021, so did the total value of new warehouse projects. Yorkshire and the North East were at centre of this growth. This data strongly aligns with the findings in the Big Shed Briefing discussed above that saw gross take-up for large sheds reaching an annual record in 2021 with Yorkshire and the North East playing a prominent role.

**4.11** Freight flows are another key driver of I&L floorspace demand. Significant growth is forecast across all freight modes. Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a network of freight handling infrastructure (i.e. ports, airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers.

4.12 Brexit and Covid-19 have highlighted the level of interconnectedness of international supply chains and their fragility when one or more links break. Companies have started building up greater resilience in their operating models by moving operations either back to the UK (re-shoring) or closer by (near-shoring) as a means to minimise future supply-chain-induced disruptions.

4.13 According to a survey carried out in July 2020 by the Institute for Supply Management, 20% of firms were planning to, or have already started to, near-shore or re-shore. These findings are corroborated by a survey carried out by Savills26 whereby over 80% of respondents expected the Covid pandemic to either 'greatly increase' or 'somewhat increase' on-shoring. Recent data from Sentieo, which analyses listed companies' annual reports, has found that mentions of the term 'near-shoring' have risen dramatically in 2022. Savills are starting to observe new occupier requirements directly related to this phenomenon and expect demand to rise as companies come to terms with running 'just in case' supply chains (leading to increased stock piling) rather than 'just in time.

4.14 The figure below provides a visual representation of some of the major growth drivers generating the record breaking demand in the I&L sector. While e-commerce and freight growth are two of the most influential, as discussed above, there are several others at play also.


The I&L Sector is a Major Contributor to the National Economy

4.15 The I&L sector is a significant employer of at least 3.8 million people in England and produces £232 billion of GVA annually. Gross Value Added (GVA) per job, currently at £58,000, is 12% higher than the average of all sectors. Its productivity is also predicted to grow at a faster pace, increasing by 29% between 2025 to 2039 compared to 18% across the UK economy as a whole.

4.16 These are extremely important statistics given the UK's labour productivity currently lags many of its western European peers. Improving the UK's labour productivity will become increasingly important in a post Brexit world given its important bearing on attracting inward investment, ability to pay higher wages and higher tax revenues for the Government which can be reinvested in critical services and infrastructure.

4.17 Over the last 10 years the logistics component of the I&L sector has grown by 26% compared to only 14% across the economy as a whole.

4.18 Also in terms of business generation, the logistics sector is the fastest growing segment of our economy, both in recent years and over the long term. Between 2011 and 2021 the number of business premises within the logistics sector went up by 88%, much higher than the 26% growth rate across the whole economy. Growth in the logistics sector has continued to accelerate over the last couple of years, with the number of business premises increasing by 21% against just 1% across the whole economy.

4.19 Notwithstanding its importance in terms of employment and GVA contribution, the sector is subject to a number of misconceptions about average pay levels, skills required and types of spaces provided.

4.20 Savills highlight that average pay in the I&L sector is higher than the UK average. Data from the Office for National Statistics (ONS) show wages above average at +£3,600 for Manufacturing and +£4,000 for Logistics. The difference between average wages and the two sectors is even greater in the region. In Yorkshire and the Humber the manufacturing sector wages that are +£4,600 and for logistics is +£4,800. Again, the logistics component of the sector is performing above average, with wages between 2019 and 2020 having increased more than in other sectors (+6% growth in logistics vs +4%) which is important in the current inflationary environment. In addition, entry-level jobs in logistics are relatively well-paid, with median annual pay being 47% higher than across jobs in the same occupational category.

4.21 I&L's wider supply chain employment is often overlooked in favour of the higher on-site job densities for retail and office uses. I&L premises are a critical link in the chain alongside the key freight modes that allow goods to enter, leave and move around the country (i.e. ports, airports, rail freight interchanges and motorways). Like warehouses and factories, these freight handling facilities generate employment to drive the planes, trains and boats as well as jobs involved in their maintenance and repair. Jobs are also created at ports, airports and rail freight interchanges as part of their operation. The analysis of ONS Type I FTE multipliers for the Warehousing sector suggests that for every 10 new warehousing jobs created, another 7 to 12 jobs are created offsite across the wider supply chain.

Levelling-up and the I&L Sector

4.22 As Savills' discussed in their recent publication for the British Property Federation "Levelling-up – The Logic of Logistics", the I&L sector can play a pivotal role as part of the Government's levelling up agenda. In GVA terms, the South35 accounts for 63% of England's total GVA while the North36 accounts for only 37%. However, over the last 5 years I&L demand (net absorption) in the North has accounted for 70% of the country's total demand.

4.23 Thanks to the I&L sector's higher productivity, wide-range of well paid jobs and training opportunities offered, its growth can help bridge the gap between the North and South. This point is further substantiated by a recent study that looked into the link between logistics density and growth in employment and GDP per capita. The study found that areas with high logistics density have grown faster than other areas of the UK in both GDP per capita and overall employment.

4.24 One factor that makes the I&L sector especially well-suited to support levelling-up objectives is the wide-range of occupations offered and their increased diversification across various skill levels. Savills shows the change in the share of occupations in I&L in 2010 and 2019. While at the beginning of the decade we see a more polarised distribution, with a higher share of managers at one end of the spectrum and more routine occupations at the other end, today we see a higher share of Professional and Associate Professional and Technical roles. These roles are typically associated with higher-skilled engineering and technological professions in response to increased automation and robotics in the sector and more advanced supply chain processes. These office-based roles are increasingly co-locating alongside production and logistics uses as it is convenient for these people to be closer to the operations they control and analyse.

4.25 This increased occupational diversity means the I&L sector can play an important role in re-employing people that have lost jobs in other sectors of the economy as a result of the Covid-19 pandemic.

4.26 The Government's Coronavirus Job Retention Scheme (CJRS) has helped cushion the impact of economic contraction on the job market. However, in spite of this effort, data on the claimant counts remain high in most areas of the country. The claimant count measures the number of people claiming benefit principally for the reason of being unemployed. As of November 2022 the count in Sheffield totalled about 15,000 claimants. Whilst this is a reduction on the figures during the covid-19 pandemic, it is well above pre-pandemic levels.

4.27 The I&L sector also generates significant construction and apprenticeship roles which will increase further as it expands into the future. Savills estimate that if supply-constraints are addressed in the future, the sector could deliver over half a million apprenticeships over the next 10 years. This is about the same as the national youth unemployment rate. This is extremely important given youth unemployment in the region stands at 10.5%. A number of case studies on the type of employment opportunities, training and research centres that the sector delivers can be found in Savills recent publication for the British Property Federation "Levelling-up – The Logic of Logistics".

4.28 I&L premises facilitate modern lives and therefore should be considered as 'Critical National Infrastructure,' similar to how major roads, ports, airports and rail freight interchanges are. The sector makes a significant contribution to the national economy and supports a diverse range of well paid jobs.

4.29 Current demand within the sector is at unprecedented levels being supported by a number of key growth drivers. There is a strong need to support and foster economic growth in order to support the post-Covid recovery and to secure UK's post Brexit future. It is vital to support those sectors which are proving to be resilient (such as logistics) and are therefore well-placed to provide new employment opportunities to mitigate job losses in other sectors and underpin the economic recovery.

## Policy and Evidence Base Review

**4.30** Savills' Report Section 5 goes through the Council's evidence and its assessment of need and supply, whilst Section 8 presents Savills' own assessment of need. Both of these show a significant deficit and shortfall in employment provision within the emerging Sheffield Local Plan.

**4.31** Analysis of the Council's evidence shows a lack of consistency on the final supply and demand figures both overall and I&L land specifically. **It is evident from Policy SP1 that the Council's shortfall in its employment requirement is at least 48.3ha**. However, upon further analysis the shortfall is even starker. Table 5.1 from the Savills' report (shown below) highlights that regardless of which figures are used there is a shortage of employment land. This shortfall is particularly acute for I&L uses and large B8 units (over 100,000 sq.ft.) in particular.

**Table 5.1 Summary Table of Council's Evidence Base of Supply and Demand for Employment Land**

| Employment Land Sector | Supply (ha) | | | Demand (ha) | | | Surplus / Deficit |
|---|---|---|---|---|---|---|---|
| | Proposed Allocations | Extant Planning Permis-sions | Total Supply | Local | Large I&L Units | Total | |
| All Employment Land | 149.12***** | 41**** | 171***** | 195.5**** | 86.7*** | 282.2 | -111.2 |
| All I&L Land | 88.15* to 146.31 | unknown | unknown | 146.6**** | 86.7*** | 233.3 | -145.15 to -86.99 |
| All I&L Land for Large Units (greater than 100,000 sqft)** | 68.98** to 120.82 | unknown | 84.2*** | n.a. | 86.7*** | n.a. | -2.5 |
| All I&L Land for Large B8 Units (greater than 100,000 sqft) | | | 23.2*** | n.a. | 62.6*** | n.a. | -40.3 |

** Excludes 58.16ha of General Employment which is designated for some B8 uses (but not B2) as well as a range of other uses. If added to the Industrial Land then total proposed allocations are 146.31ha.However only a proportion of the figure will be available for I&L premises. (The second figure in the cell includes the General Employment sites.)*

*** Comprises all industrial allocations greater than 2.3ha which is the minimum size required to accommodate a unit of 100,000 sqft. It excludes 50.84ha of General Employment which is designated for some B8 use (but not B2 ). (The second figure in the cell includes the General Employment sites.)*

**** Identified in the Logistics Study*

***** Council report from 3 November 2022*

****** Draft Local Plan December 2022*

4.32 Analysis of the Council's own evidence also highlights the following significant issues:

- Paragraph 5.26 of the Sheffield Employment Land Review (March 2020) states that many Sheffield companies relocate to other authorities such as Rotherham, Barnsley or Doncaster in search of cheaper space. It is therefore important for Sheffield to maintain an appropriate mix of sites to attract higher-end occupiers and also retain core indigenous employment. **This shows that there is a deficiency of suitable employment sites in Sheffield.**

- The ELR assessed 81 potential sites for future employment use that were categorised based on criteria covering sustainability, market attractiveness and policy adherence. The exercise identifies about 144.58 hectares (net) of land across 71 sites that are available for future employment premises. Paragraph 6.25 said that the industrial sites could accommodate 'a combination of industrial (B1c/B2) and low-grade warehousing'. **This suggests that no land has been made available for higher grade warehousing and there is a lack of space for B8 uses. The report provides no figure for the amount of land across the 71 sites that could accommodate I&L uses**.

- Savills reviewed the ELR and consider that it underestimates market demand. The **labour demand methodology** is not appropriate for the estimation of future I&L land demand, as employment forecasts typically reflect the continued restructuring of the economy away from industry towards services, which underestimate the I&L sector's employment generation. Further, changes to the I&L market mean that growth in floorspace/land is not accurately predicted by changes in jobs. The I&L sector does not comprise low-skilled and low-paid jobs, nor do I&L companies functions' neatly fit into Industrial or Logistics.

- A key trend in the I&L sector is that companies are increasingly co-locating office, R&D, customer services/sales and other administrative functions within their I&L premises. Such co-located employment is not reflected in the labour demand models as they assume I&L activities are entirely accommodated within a narrow set of Standard Industrial Classification ('SIC') codes.

- The **labour supply method** is flawed because housing growth at the local level has a limited relationship to I&L markets which have a more regional demand profile, which leads to an underestimation of future demand.

- The past development rates method also underestimates true market demand for I&L land and floorspace. Savills does not consider that past development rates is an indicator of demand, but rather as a supply measure.

- 'Suppressed demand' is not accounted for. When supply, as signalled by floorspace availability, is low, demand is 'suppressed' as prospective tenants can't find space in a market. 8% is typically referred to as the equilibrium level at a national level across the entire sector when supply and demand are broadly in balance. The ELR notes that Sheffield's employment market is tight and well below the normal rate.

- Current and future growth drivers not accounted for. The ELR ignores key current and future growth drivers driving record levels of demand within the I&L sector in particular, including growth in online retailing, housing growth, Covid-19 & Brexit, and the growth in UK freight volumes.

- The Strategic Employment Appraisal Summary Report (May 2020) summarises a range of assessments used by the different local authorities in the SCR to identify the need for I&L. This study underestimates the demand for I&L uses across the SCR and in reality there is no surplus supply.

- The ELR Update (September 2021) was commissioned because of the impact of the Covid-19 pandemic and changes to Government Policy. The ELR Update does not cover specifically the need for strategic B8 logistics (defined as premise over 100,000 sq.ft.).

- The Sheffield Logistics Study (December 2022) considers the need for large scale warehousing and logistics for premises greater than 100,000 sq.ft. It identifies key drivers of demand for logistics including the growth of e-commerce.

- Table A1.2 and A1.3 presents five sites in the Green Belt including Hesley Wood that are potentially suitable for logistics. Hesley Wood is considered to be the most deliverable of the five sites because it does not have any perceived barriers. The barriers of the other sites include challenging topography, proximity to residential uses and poor access to the motorway

- Whilst the Logistics Study concluded that there is probably sufficient land in the SCR to meet Sheffield's identified need, there is no evidence that this is the case. Savills consider this evidence vital in demonstrating the Draft Local Plan's employment strategy is sound.

- The Logistics Study estimates that 20% of the existing stock could come forward for redevelopment over the period of the Draft Local Plan. The study characterises this assumption as a rule of thumb although provides no evidence to suggest this is a reasonable figure. Savills find the likelihood of 15 hectares of existing employment land coming forward for redevelopment to be unrealistic. There is little incentive for landowners to redevelop well-let premises. The redevelopment of existing and well-used industrial units is expensive because of the construction costs and the foregone income during the redevelopment process. Even if the land were to come forward, this would only result in a marginal net increase in employment floorspace since existing units would be demolished.

## Savills' Assessment of Need

**4.33** Savills' in their Section 8 estimate I&L land demand across SCR and Sheffield. We then apportion Sheffield demand to 100,000 sq.ft+ units only and then to B8 units only.

**4.34** Based on Savills demand methodology, over a 17-year which reflects the Council's latest demand projections, we estimate overall demand for I&L in Sheffield to be 300 ha of land. This is over 65 ha above Sheffield's own identified demand. However, greater discrepancies arise when comparing need for large units, particularly for logistics (B8) premises. Savills estimate that about 193 hectares is for large I&L (B2 / B8) premises (greater than 100,000 sq.ft.) and about 163 hectare for large B8 units only. This is over twice the level identified by the Council.

**Table 8.1 Comparison of Council's Identified Demand for Sheffield against Savills'**

| Employment Land Sector | Council's Identified Demand (ha) | Savills' Identified Demand (ha) |
|---|---|---|
| All I&L Land | 233.3 | 299 |
| All I&L Land for Large Units (greater than 100,000 sqft)* | 86.7 | 193 |
| All I&L Land for Large B8 Units (greater than 100,000 sqft) | 62.6 | 163 |

** Identified in the Logistics Study*

## Industrial and Logistic Market Assessment

**4.35** Savills analyses and presents supply and demand factors for I&L premises in Sheffield, the Functional Economic Market Area (FEMA) (Sheffield and Rotherham) and the Sheffield City Region. The aim of the assessment is to identify and demonstrate where much needed support is required in the Sheffield I&L market by identifying gaps in provision and where demand is particularly strong.

**4.36** Sheffield comprises a uniquely supply-constrained I&L market in what is a supply-constrained region. This is the result of a very limited historic supply response in the face of an endemic shortage of modern I&L premises which has led to low availability and exceptionally strong rental growth.

**4.37** The lack of new I&L development means Sheffield's I&L stock can be described as relatively old, poor quality and small in terms of overall inventory when compared to other locations in the SCR. Subsequently, Sheffield's current sites and premises are ill-equipped to meet the needs of modern warehouse occupiers.

**4.38** Savills' overall conclusion is that Sheffield and the wider FEMA and SCR are supply-constrained with demand being higher than supply over the last decade. This is because supply has failed to keep up with the pace with demand. As a result, availability rates in Sheffield, the FEMA and SCR are very low. This has characterised the markets since 2014.

## Savills' Review of Supply

**4.39** Savills have assessed the proposed and existing employment land allocations. Each site is assessed based on its development potential, deliverability and overall commercial attractiveness for large logistics development. Savills considers all sites over 5 hectares that satisfied the locational characteristics described below:

Locational Characteristics

**4.40** The Council's Strategic Employment Land Appraisal states that only sites greater than 5 hectares can be considered. Sites of this size can ordinarily accommodate two warehouses of about 100,000 sq. ft.

**4.41** The Sheffield Logistics Study explains that commercially attractive sites are those that are:

- Accessible to the Strategic Road Network;
- Large enough to accommodate a range of units;
- Accessible to labour; and
- Located away from incompatible units.

**4.42** Therefore, a site that is over 5 ha and satisfies these requirements is considered to be a prime site.

Employment Supply Key Findings

**4.43** Across the four local authorities there are just 7 sites comprising about 92 ha of commercially attractive sites that could accommodate strategic logistics. There is an additional 316 ha across 17 sites comprising land which is of average commercial attractiveness and which is unlikely to come forward in the near term. This shortage of commercially attractive sites is unlikely to relieve the shortage of suitable land and is more likely to exacerbate it.

**4.44** Sheffield has about 14 ha of commercially attractive land available for strategic logistics. This is less than the findings in the Sheffield Logistics Report and largely due to some of the identified land being no longer available. This is comprised of three sites. Sheffield has an additional 34 ha comprised of seven sites which is less commercially attractive and less likely to come forward for strategic logistics.

**4.45** Rotherham has about 145 ha of land that could potentially accommodate strategic logistics. However, none of it is sufficiently commercially attractive to come forward for this type of development. This shows that Rotherham is highly unlikely to provide sufficient capacity to meet the needs to Sheffield, especially if Rotherham's own needs are taken into account.

**4.46** Barnsley and Doncaster combined have only 14 ha of employment land that is commercially attractive for strategic logistics development.

Conclusion of Savills Report on Employment Supply

**4.47** Savills' supply review demonstrates that the existing shortage of land to accommodate strategic logistics is likely to continue in Sheffield and the wider area because an insufficient quantum of commercially attractive land is available.

**4.48** Savills review identifies **about 14 ha in Sheffield** and about 92 ha across the four key local authorities of commercially attractive land that is likely to come forward in the near term for strategic logistics. Many of the most attractive sites identified in Sheffield's Draft Local Plan or the plan documents of other local authorities are no longer available to the market.

**4.49** Savills suppressed demand analysis identified **a need for 166 ha of land for strategic logistics**. This not only exceeds all the land which could potentially accommodate strategic logistics in Sheffield but also the other three local authorities.

**4.50** **The Sheffield Logistics Study concludes that there is only about 22 ha of land available for strategic logistics and Savills own analysis of supply shows this is well below this level at around 14ha, largely due to the identified sites being no longer available.** The need is far greater as identified by our own analysis as well as that in the Council's identified need of 78.2 ha. The need for land to accommodate strategic logistics is already known to be unable to be met within Sheffield itself, but it is also highly unlikely that it can be met by the other local authorities in the area.

**4.51** The Sheffield Logistics Study also identified a need for between 444.6 ha and 531.1 ha to accommodate strategic logistics across the four key local authorities. It is highly unlikely that the sites reviewed in this section are sufficient to meet this need, as only 92 ha across 7 sites are

considered to be available and commercial attractive for large scale logistics. Whilst a proportion of the other remaining sites are likely to come forward to accommodate an element of strategic logistics, they do not represent a quantum that is of sufficient commercial attractiveness to meet the Council's identified need.

## Exceptional Circumstances

4.52 The Council has a significant shortfall in employment land within the Plan period:

- There is a shortfall against Policy SP1 of -48.3ha.
- There is a specific shortfall in meeting strategic logistics for 100,000 sq. ft. units within Sheffield.
- There is less strategic employment land than shown in the Sheffield Logistics Study.
- There is a need for 166 ha of land for strategic logistics.

4.53 Therefore, there is a gap in employment provision based on the Council's own figures and also on our own assessment of the need/demand for employment and the supply of land.

4.54 The Council accepts the need to utilise the Green Belt for employment land in the Cooperative Executive report, which states in paragraph 1.4.7 that Members should "take into account the shortfall in the overall supply of employment land to 2039, as well as the potential to provide additional, better-quality land that would be suitable for logistics and manufacturing; possibly on the east of the city, close to the M1 Motorway".

4.55 In accordance with the Framework therefore, there are exceptional circumstances to meet the need for employment by amending the Green Belt boundary. Rula's site at the former Hesley Wood tip, known as J35 Sheffield Gateway, should therefore be allocated for employment development.

4.56 The former Hesley Wood tip is previously developed land and formed part of the wider Smithy Wood Colliery. The site was used for the disposal of colliery waste from the Smithy Wood Colliery between 1938 and 1972. The site includes seven old shafts, an air shaft, gravel pits, lagoons and a building. There are also areas of hardstanding and roads and the footings of the aerial ropeway from Smithy Wood Colliery across the site, which provided the means to deposit the colliery spoil. There is also evidence of the former backfilled opencast that extracted the Parkgate Coal. This opencast was operated by Smithy Wood Colliery.

4.57 There have been previous aspirations to redevelop the site throughout the years following the mine's closure in 1972, including police training centres, theme park and regional cycling facility, and all Council documents identify the site as "derelict" and "disused". The site is previously developed and disturbed land and the Framework encourages such sites to be positively re-used and redeveloped.

4.58 The site at Hesley Wood was utilised as a spoil heap for the adjacent Smithy Wood Colliery between 1938 and 1972 when the Colliery closed. An aerial ropeway ran from the mine-head at Smithy Wood Colliery in a north easterly direction before turning northwards into the Hesley Wood

site. The ropeway was supported by metal pylons carrying winding gear and continued through the centre of the Hesley Wood site. The ground either side of the ropeway is clearly made up from the colliery spoil transported via the ropeway from Smithy Wood Colliery. Whilst being separately named, the Colliery and the tip were clearly part of one single integrated operation, with the tip clearly existing and physically connected to the mine-head for the purposes of allowing the Colliery to tip its spoil. The area, therefore, falls clearly within the definition of previously developed land in the national planning policy framework, having been subject to extensive operational development in the form of tipping and also the construction of structures, to facilitate the tipping and movement of colliery spoil around the site from the Colliery. There is no restoration scheme in place for the tip.

**4.59** The site of the former Hesley Wood tip therefore lies within the Council's Spatial Strategy Option 3 of utilising previously developed sites within the Green Belt. The Hesley Wood site can only be considered within Spatial Option 3 as it is previously developed and previously disturbed land, as shown later on in these representations and the attached Delivery Report. The site does not fit within the description and definitions of Spatial Option 4 or 5 as it has been previously worked and is not "previously undeveloped" land. The approach the Council has followed is therefore unsound.

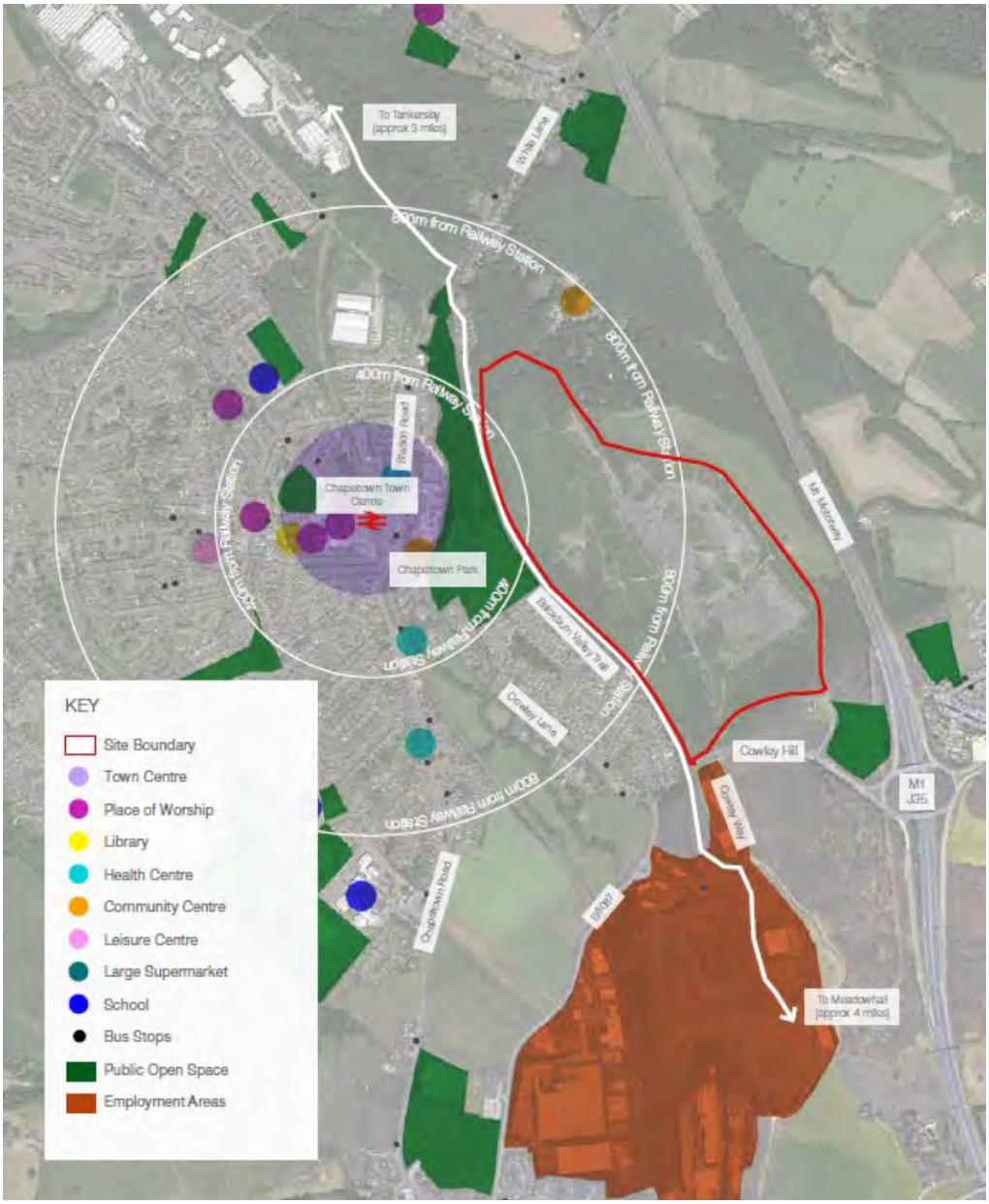
**4.60** The land at the former Hesley Wood tip provides a unique opportunity to bring forward the effective reuse of this derelict former coal workings, enabling the restoration of one of the largest areas of derelict land that remains in Sheffield. This would deliver environmental improvements, remove an unneighbourly use as well as bringing forward much needed employment whilst making efficient and effective use of land.

**4.61** Sheffield is enveloped by the South Yorkshire Green Belt which is placing a significant pressure and obstacle to housing delivery. The Framework considers that Green Belt boundaries can change in "exceptional circumstances". Such circumstances exists through the significant need to provide deliverable employment sites throughout the plan period in Sheffield. To meet the economic growth aspirations Sheffield City Council will need to revise the Green Belt boundaries for the emerging Local Plan and beyond to provide the new boundaries with some permanence.

**4.62** The Framework establishes the five purposes for including land within the Green Belt. Having reviewed the site against the purposes of Green Belt it can be demonstrated that the allocation of the site for employment use will not undermine the integrity of the Green Belt, which is supported by a Green Belt Review (Appendix 3):

To check unrestricted sprawl

**4.63** The allocation of this site will require some encroachment into the Green Belt, however as the parcel adjoins the built form and is contained within the landscape surrounded by the M1 motorway, employment and housing the current boundary is not robust. A new robust Green Belt boundary will be formed using distinct features of the existing woodland and M1 motorway.




To prevent neighbouring towns from merging

**4.64** The site is well contained with the M1 motorway to the east, industrial development to the south, woodland to the north and housing in Chapeltown to the west.

To safeguard the countryside from encroachment

4.65 The site is a former coal workings and is previously developed derelict land, which is an unneighbourly use. The natures of the site, as a former workings, has attracted illegal off-road motor biking and is the cause of nuisance. The site's location is influenced by its surroundings with the M1 motorway located to the east, large industrial sheds located to the south and residential development to the west. Redevelopment of the site for employment use could support new jobs on a former industrial site and significant environmental improvements.

To preserve the setting and special character of historic towns

4.66 Chapeltown is not within a conservation area, and the site is not adjacent to a designated Conservation Area. The allocation of the site will therefore not affect the setting of a Historic Town.

To assist in urban regeneration, by encouraging the recycling of derelict land and other urban land

4.67 The site is previously developed derelict land. The Framework encourages the re-use of previously developed land and states that such sites should be considered first when releasing land from the Green Belt. The development of this site will enable remediation of the site and bring this derelict land back into use for the creation of valuable employment and jobs, whilst bringing forward significant environmental improvements.

4.68 The impact on the openness of the Green Belt will be limited as the site is previously developed derelict land contained within its landscape, in an area which is influenced by existing residential and commercial development. The attached Green Belt Review also analyses the site from qualitative and quantitative perspective and concludes that the current boundary of the Green Belt boundary around the main urban area at Chapeltown is not robust, or durable and does not accord with the Framework. It can therefore be demonstrated that the site has a limited role to play when considered against the five purposes, and the development will not undermine the integrity of the Green Belt around Chapeltown and Sheffield.

## Remediation and Regeneration

4.69 The legacy of the mining history of Sheffield and South Yorkshire can be seen throughout the area. The former Hesley Wood tip is one of the few remaining sites of this scale awaiting remediation and redevelopment and due to anti-social behaviour, pollution and the instability of man-made ground this needs to occur in the short term, which will deliver significant benefits when coupled with the provision of new jobs and economic growth.

Remediating the Mining History

4.70 The entire of the Hesley Wood area has a history of mining. As highlighted in paragraphs 4.56 to 4.59 the site is previously developed land as part of the wider Smithy Wood Colliery. This can be seen from walking over the site. The topography remains shaped by the spoil tips with two plateaus created separated by a steep embankment. The Scouts camping field to the north-east of the site also formed part of this mining history with open cast mines shown on historic mapping across the area. The lake on the eastern boundary of the site is man-made, formed within the made ground. The site is predominantly made-ground which is up to 30m deep in places.

**4.71** The most western of the plateaus is lower, only slightly above the adjacent Blackburn Valley Trail which follows the route of a disused railway line. Vegetation has begun to grow on this plateau in places creating the beginnings of new habitat. However, the ground investigations in this area record high levels of toxic materials under the ground. The regeneration of the site is an opportunity to remove and treat these materials to make them safe.

**4.72** Furthermore, immediately to the north east of the site and possibly extending on to the site is a former backfilled opencast colliery that extracted Parkgate Coal. There are also a number of historical mine entries in this area. This area underlies the adjacent Scouts camping field and the proposed scheme provides an opportunity for this area to be restored and enhanced for the children's enjoyment. The proposed development, by regenerating and restoring the site will also address the pollutants that drain into the lake which the Scouts use. Therefore, the proposed scheme will improve the environment for the Scouts and their safety.

**4.73** The upper plateau demonstrates the damage done to the landscape. Since the pit was closed the area has remained barren with plants unable to populate this area. This illustrates the poor quality of the soil. Furthermore, throughout the site there are records of Bell Pits which have yet to be made safe and there are also recordings of land slips.

**4.74** The development of the site will allow for the remediation and stabilisation of the ground removing the risks the site currently poses and protecting future generations.

Preventing Anti-Social Behaviour

**4.75** Currently the site is used for antisocial behaviours. There have been numerous complaints that the site is used, illegally for off-road motor biking and quad biking by trespassers. The scale of the site makes securing it against these activities an extremely difficult task.

**4.76** The development of the site will remove the opportunity for these illegal activities

Delivering New Jobs

**4.77** The site forms a large area located closely to Chapeltown. The delivery of new employment will support creation of new jobs for the town, Sheffield and the Region.

**4.78** Savills Report highlights the economic and employment benefits of the proposed scheme, which are also explained in the attached Delivery Report. This shows the potential for 261 construction jobs per annum and 599 permanent operational jobs per annum alongside £1m of Business Rates for Sheffield per year.

**4.79** Table 9.4 from Savills report provides a useful summary of the Social Value for the proposed Hesley Wood scheme:

Table 9.4 Summary of Estimated Economic Benefits and Social Value of Proposed Development

| Economic Benefit/Social Value Metric | Value |
|---|---|
| ***Economic Benefits*** | |
| On-site and off-site construction jobs for Sheffield Residents | 261 per annum over 2-year construction period |
| On-site and off-site operational jobs for Sheffield Residents | 599 |
| GVA | £44 million per annum |
| Business rates for Sheffield | £1 million per annum |
| Cumulative Business Rates Income for Sheffield to 2042 | £13.2 million |
| ***Social Value (over 2-year construction period)*** | |
| Apprenticeships | £108,635 |
| Construction Careers Information, Advice & Guidance Events | £30,000 |
| NHS savings from unemployment reduction | £94,500 |
| Qualifying the workforce | £320,000 |
| Supporting local businesses | £9.5 million |
| **Total social value (NPV)** | **£10.2 million** |

## Site Proposals

**4.80** Rula therefore consider that their site at the former Hesley Wood tip, known as J35 Sheffield Gateway, should be allocated for employment purposes to address this significant shortfall in employment, not only against the requirement as identified by the Council, but also the shortfall as identified by the attached Savills report, which cannot be address in the wider region.

**4.81** As highlighted earlier there is a particular gap in the market within Sheffield for strategic employment sites that can accommodate over 100,000 sq.ft units for Industrial and Logistics use that are in strategic locations close to the Strategic Road Network. There is also not the range and choice of sites available for a competitive and healthy market and there is evidence of relocating to other authorities due to the lack of supply in sites.

**4.82** The J35 Sheffield Gateway is an appropriate site to provide for the employment needs of the Plan area in the short term. The site is available, suitable and achievable and therefore deliverable in accordance with the Framework.

**4.83** The former Hesley Wood tip is a previously developed site and therefore allocating the site, as demonstrated, is in full accordance with the Spatial Strategy. Nevertheless, the site is a former mining site and therefore there is a regeneration imperative to address this previous use and

remediate and regenerate the site, remove anti-social behaviour, contaminated land and bring the site into a positive use with associated social and economic benefits.

**4.84** A site summary is provided in response to Policy SA9 and the Delivery Report is attached at Appendix 1.

# Proposed Change

**4.85** To overcome the objection and address soundness matters, the following changes are proposed:

- Update the evidence base.
- Identify employment sites to meet the employment need.
- Identify safeguarded land for longer term development.
- Allocate the J35 Sheffield Gateway site at Hesley Wood tip for employment purposes.

# 05 Policy SP2

## Policy SP2: Spatial Strategy

**5.1** The Spatial Strategy will not deliver the economic growth aspirations and does not reflect the evidence base, national policy and guidance and is therefore unsound.

## Justification

**5.2** As highlighted earlier in the General Comments section of these representations, Rula has concerns with the approach of the Spatial Strategy and how it was identified.

**5.3** Rula does not consider that the Spatial Strategy and the strategic approach of the Plan will deliver the economic growth aspirations.

**5.4** The Spatial Option 3 proposed is one of urban brownfield and greenfield sites and brownfield sites in the Green Belt. Within that context only one brownfield Green Belt site has been identified. Rula considers that their site at the former Hesley Wood tip fits within the Spatial Option as a previously developed site.

**5.5** Nevertheless, Rula considers that the strategy should be developed to meet the identified needs and should be developed in such a manner that does not prevent the delivery of other sustainable sites or sustainable developments.

## Proposed Change

**5.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Update Spatial Strategy to address the evidence base and meet the identified employment needs.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 06 Policy SA1

## Policy SA1: Central Sub-Area

**6.1** The Central Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**6.2** This Sub-Area does include the provision of some employment land. In total there is circa 10.1ha however this ranges from 0.16ha through to 3.4ha and focusses primarily on the provision for office accommodation.

**6.3** None of these sites will satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study. None of the sites are of strategic size or in a strategic location close to the Strategic Road Network or a motorway junction.

## Proposed Change

**6.4** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 07 Policy SA2

## Policy SA2: Northwest Sheffield Sub-Area

**7.1** The Northwest Sheffield Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**7.2** This Sub-Area does include the provision of some employment land. In total there is circa 28.3ha, which comprises existing planning permissions and new allocations. In relation to proposed new allocations the Northwest Sheffield Sub-Area includes for industrial:

- NWS02 - Land at Wallace Road, S3 9SR: 4.04ha
- NWS04 - Allotments to the south of Wardsend Road North, S6 1LX: 2.35ha
- NWS05 - Land to the northwest of Wardsend Road, S6 1RQ: 0.74ha
- NWS06 - Land at Wardsend Road, S6 1RQ: 0.64ha

**7.3** For general employment the Sub-Area includes:

- NWS01 - Land and buildings at Penistone Road North, S6 1QW: 4.58ha
- NWS03 - Land at Beeley Wood Lane, S6 1QT: 2.62ha
- NWS07 - Land adjacent to Elsworth House, Herries: 0.42ha

**7.4** None of these sites will satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study. None of the sites are of strategic size or in a strategic location close to the Strategic Road Network or a motorway junction.

# Proposed Change

7.5 To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 08 Policy SA3

## Policy SA3: Northeast Sheffield Sub-Area

**8.1** The Northeast Sheffield Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**8.2** This Sub-Area does include the provision of some employment land. In total there is circa 28.8ha, which comprises existing planning permissions and new allocations. In relation to proposed new allocations the Northwest Sheffield Sub-Area includes for industrial:

- NES03 - Land to the west of Blackburn Road, S61 2DW: 11.12ha
- NES04 - Gas Works, Newman Road, S9 1BT: 3.91ha
- NES05 - Land between Grange Mill Lane and Ecclesfield Road, S9 1HW: 2.01ha
- NES06 - Land to the north of Loicher Lane, S35 9XN: 1.42ha
- NES07 - Upwell Street/Colliery Road (North): 1.27ha
- NES08 - Land adjacent to Yarra Park Industrial Estate and Station Road, S35 9YR: 0.48ha

**8.3** For general employment the Sub-Area includes:

- NES01 - Smithywood, Cowley Hill, Chapeltown: 13.32ha
- NES02 - Land adjacent to Chapeltown Academy, Nether Lane, S35 9ZX: 0.67ha

**8.4** According to the Council's own evidence through the Logistics Study the only potential strategic site in the Northeast Sub-Area is Smithywood (NES01). However, as evidenced within the Savills Report this site is largely complete and will therefore not satisfy the employment need for large scale logistics during the Local Plan period. The site has two remaining plots comprising just about 3.5 ha. The rest of the site is already fully delivered

**8.5** Therefore, none of these sites will satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study.

# Proposed Change

**8.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 09 Policy SA4

## Policy SA4: East Sheffield Sub-Area

**9.1** The East Sheffield Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**9.2** This Sub-Area does include the provision of some employment land. In total there is circa 100.3ha, which comprises existing planning permissions and new allocations. In relation to proposed new allocations the Northwest Sheffield Sub-Area includes for industrial:

- ES05 - Pic Toys, land to the north of Darnall Road, S9 5AH: 1.05ha
- ES06 - Outokumpu, Shepcote Lane: 19.53ha
- ES07 - Land at Europa Way, S9 1TQ: 3.38ha
- ES08 - Land adjacent to Veolia Sheffield, Lumley Street, S9 3JB: 3.26ha
- ES09 710 Brightside Lane, S9 2UB: 2.14ha
- ES10 - Land to the north of Europa Link, S9 1TN: 1.6ha
- ES11 - Land at Shepcote Lane, S9 5DE: 1.52ha
- ES12 - Airflow Site, Land at Beeley Wood Lane, S6 1QT: 1.36ha
- ES13 - Land at Lumley Street, S4 7ZJ: 1.1ha
- ES14 - Rear of Davy McKee, Land to the east of Prince of Wales Road, S9 4BT: 0.89ha
- ES15 - Land to the northeast of Barleywood Road, S9 5FJ: 0.89ha
- ES16 - Former Dr John Worrall School, Land at Brompton Road, S9 2PF: 0.68ha
- ES17 - Land at Ripon Street, S9 3LX: 0.65ha
- ES18 - Land at Catley Road, S9 5NF: 0.55ha

- ES19 - Land adjacent to 58-64 Broad Oaks, S9 3HJ: 0.45ha

**9.3** For general employment the Sub-Area includes:

- ES01 - Land to the south of Meadowhall Way, S9 2FU: 17.1ha
- ES02 - Alsing Road Car Park and Meadowhall Interchange, S9 1EA: 9.98ha
- ES03 - M1 Distribution Centre and The Source, Vulcan Road, S9 1EW: 3.24ha
- ES04 - Land at Sheffield Road, S9 2YL: 1.22ha

**9.4** The strategic sites identified by the Council's Logistics Study are Outukumpu (ES06) and Alsing Road (ES02). However, the Outkumpu site, known as Bessemer Park, is largely complete and is therefore not a strategic site that will satisfy the employment need over the Local Plan period. Bessemer Park Phase 1 is complete and fully let; Phase 2 is under construction and therefore the site is only available to meet near-term demand. Furthermore, the Alsing Road site only has 2.28ha available for logistics.

**9.5** Therefore, none of these sites will satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study over the Local Plan period.

# Proposed Change

**9.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 010 Policy SA5

## Policy SA5: Southeast Sheffield Sub-Area

**10.1** The Southeast Sheffield Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**10.2** This Sub-Area does include the provision of some employment land. In total there is circa 22.6ha, which comprises existing planning permissions and new allocations. In relation to proposed new allocations the Northwest Sheffield Sub-Area includes for industrial:

- SES03 - Land to the east of Eckington Way, S20 1XE: 6.85ha
- SES04 - Mosborough Wood Business Park, Land to the north of Station Road, S20 3GR: 9.41ha
- SES05 - Land to the east of New Street, S20 3GH: 3.75ha
- SES06 - Warehouse and land adjacent, Meadowbrook Park, S20 3PJ: 0.57ha
- SES07 - Land at New Street and Longacre Way, S20 3FS: 0.54ha

**10.3** For general employment the Sub-Area includes:

- SES01 - Land at Orgreave Place, S13 9LU: 1.29ha
- SES02 - Land adjacent to the River Rother, Rotherham Road, S20 1AH: 1.1ha

**10.4** None of these sites are identified by the Council's Logistics Study as meeting the need. The Eckington Way site is identified for small scale manufacturing and a Travelling Showpersons site. Therefore, none of these sites will satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study.

## Proposed Change

**10.5** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 011 Policy SA6

## Policy SA6: South Sheffield Sub-Area

**11.1** The South Sheffield Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**11.1** This Sub-Area does not include the provision of any employment land.

**11.2** This approach will not satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study.

## Proposed Change

**11.3** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 012 Policy SA7

## Policy SA7: Southwest Sheffield Sub-Area

**12.1** The Southwest Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**12.1** This Sub-Area does include the provision of some employment land. In total there is circa 0.02ha of existing and planning permissions and new allocation, which is evidently not meeting a strategic need.

**12.2** This approach will not satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study as the sites are not of strategic size.

## Proposed Change

**12.3** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 013 Policy SA8

## Policy SA8: Stocksbridge/Deepcar Sub-Area

**13.1** The Stocksbridge/Deepcar Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**13.2** This Sub-Area does include the provision of some employment land. In total there is circa 0.89ha of existing and planning permissions and new allocation, which is evidently not meeting a strategic need.

**13.3** This approach will not satisfy the need for Industrial and Logistics land as identified by Savills or the Council's own Logistics Study as the sites are not of strategic size.

## Proposed Change

**13.4** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 014 Policy SA9

## Policy SA9: Chapeltown/High Green Sub-Area

**14.1** The Chapeltown/High Green Sub-Area sites will not meet the identified need for Industrial and Logistics.

## Justification

**14.2** This Sub-Area does include the provision of some employment land. In total there is circa 1.03ha, which comprises existing planning permissions and new allocations. Therefore, this Sub-Area is not providing for any strategic employment.

**14.3** This Sub-Area lies adjacent to Junction 35 of the M1 Motorway and includes the former Hesley Wood tip. As highlighted earlier in these representations there is a shortfall in provision of employment land when compared with the Council's own requirement. Furthermore, there is an even more significant shortfall when compared with the Savills' assessment (Appendix 2). There is a particular gap in the market within Sheffield for strategic employment sites that can accommodate over 100,000 sq.ft units for Industrial and Logistics use that are in strategic locations close to the Strategic Road Network. There is also not the range and choice of sites available for a competitive and healthy market and there is evidence of relocating to other authorities.

**14.4** This Sub-Area could provide for a strategic employment site at the former Hesley Wood tip. As highlighted earlier in these representations there are the exceptional circumstances for allocating the site due to the need to meet the employment need and demand. The site is previously developed land and therefore accords with the Spatial Strategy.

**14.5** The Delivery Report (Appendix 1) provides evidence that the site is available, suitable and achievable and therefore accords with the Framework in relation to deliverability.

### Overview of Proposals

**14.6** The Delivery Report sets out the high level context and ambitions for the J35 Sheffield Gateway site at Hesley Wood. An illustrative masterplan for the site shows the potential for the site, including green and blue infrastructure. The proposal provides significant benefits which are explained

throughout the report which critically include the ability to meet the strategic need for new employment floorspace, providing an ability to accommodate large format buildings within a landscaped setting, with opportunities to connect to an existing green network.

**14.7** The scheme aims to deliver over one million sq. ft. of new employment floorspace, making a significant contribution to the Council's acknowledged shortfall and the attached Savills report shows an even more significant shortage that is unable to be addressed in the wider region. The site benefits from excellent access to the motorway network and the railway station at Chapeltown.

**14.8** The deliverability and benefits of J35 Sheffield Gateway is as follows:

Deliverability

**14.9** J35 Sheffield Gateway provides a development opportunity that is available, suitable and achievable and therefore it is considered that the site is deliverable, in accordance with national

planning policy and guidance. It is promoted by Rula who have a successful track record in the industry delivering, which further demonstrates the site's deliverability within the plan period

Availability

**14.10** The land is controlled by Rula. The site is therefore available in accordance with the Framework and the National Planning Practice Guidance (PPG).

**14.11** The proposed development can make an efficient and attractive use of the land through the remediation and regeneration of this former spoil heap. The site represents an excellent opportunity for future employment development.

Suitability

**14.12** The core objectives of the Framework are sustainable development and growth. The Framework is explicit that planning should help create the conditions in which businesses can invest, expand and adapt. The key focus is to create the conditions for sustainable economic growth.

**14.13** The attached Delivery Report has shown that the site provides a unique opportunity to create a sustainable employment scheme. The proposed scheme can create new employment adjacent to Junction 35 of the M1 motorway. This employment will also be close to existing services, facilities and accessible from a range of public transport. The proposed scheme is close to Chapeltown town centre and railway station, which is 800m away. The scheme can also connect to and enhance existing wildlife and active travel networks. This approach will enhance the employment offer and can assist with the regeneration of Sheffield through the provision of attractive modern premises and the creation of new jobs.

**14.14** The proposed development will make efficient use of this former coal working, located on the edge of Chapeltown and Sheffield. The redevelopment of the site will also remove anti-social behaviour and unneighbourly uses, which are attracted to this derelict site. The remediation of this site will also address wider historical mining issues in the area by restoring the Scouts camping field and addressing pollution issues in the lake. Therefore, the proposed scheme will create significant environmental and social enhancement.

**14.15** The delivery of the scheme will therefore generate significant benefits for Sheffield and the wider region through the creation of direct and indirect job opportunities, alongside environmental improvements, stimulating the local economy, adding value and changing perceptions for the area.

**14.16** It has been shown that the site is suitable for development. The site is in a sustainable area close to Chapeltown town centre and a range of services and facilities and public transport routes.

**14.17** Although the land is in the Green Belt it provides a unique opportunity in terms of locational and strategic advantage which can make an efficient and effective use of the former colliery land. The Council has established there is a need for a Green Belt Review to accommodate the housing need in the City. The site provides a vitally important opportunity to meet the employment needs and in particular needs for strategic warehousing and distribution, and manufacturing, which provides the exceptional circumstances to justify the release of the site from the Green Belt.

**14.18** Therefore, there are exceptional circumstances supporting the release of the site from the Green Belt due to the urgent need to meet Sheffield's employment need and ambitions for growth. The site is previously developed and derelict land and in accordance with the Framework consideration should be given first to such sites when releasing land from the Green Belt. Therefore the site is "suitable" for employment development in accordance with the Framework.

**14.19** The Site has strong physical features and boundaries surrounding the site. These boundaries present an opportunity to create a new permanent Green Belt boundary in this location and would accord with the Framework and by defining the Green Belt for the long-term.

**14.20** It is clear from the site location plans and analysis that development of the site would not have a material impact on the Green Belt, which is demonstrated within the attached Green Belt Assessment (Appendix 3). The site is within a highly sustainable location on the edge of the built up area with development located to the north, the site does not serve any Green Belt purpose and as such development for residential purposes would create a logical long term boundary to the Green Belt.

**14.21** The proposed development would be delivered to a high quality design standard which respects the nature of the surrounding area and setting with the inclusion of screening. The development would not detrimentally affect the recreational opportunities that the Green Belt has to offer. Therefore, although the site is in the Green Belt is a logical scheme with significant major benefits. It is therefore considered that the proposed allocation of the site is suitable, in accordance with national guidance.

**14.22** Technical work that underpins the masterplan confirms that there are no known constraints to development it is therefore considered that the proposed allocation of the site is suitable in accordance with national guidance.

Achievability

**14.23** A range of technical work is being undertaken and further survey work is ongoing. From the initial assessments there are no technical issues that would prevent development or are insurmountable and could not be suitably mitigated.

**14.24** The technical work undertaken has informed the indicative masterplan and demonstrates that the proposed development platform will support over 1,000,000 sq. ft. of new employment. The proposed scheme can come forward from the identified access off Cowley Hill. As such, the development of the site, as shown within the indicative masterplan, is considered to be achievable.

**14.25** The technical assessments will be submitted in due course and are available upon request. The site is therefore considered to be achievable and therefore deliverable in accordance with national guidance.

**14.26** Effective Use of Land

**14.27** The site is previously developed land being the former Hesley Wood tip. The site is well located within reasonable walking distance of Chapeltown Train Station. The site is easily accessible and the site can be accessed from Cowley Hill, supported by a number of active travel/sustainable

travel links. The scheme is therefore making an efficient and effective use of land and infrastructure.

Delivering sufficient employment land

**14.28** The Framework requires Local Planning Authorities to meet their objectively assessed needs for development and create the conditions win which businesses can invest, expand and adapt. Further, the Framework requires policies and decisions to recognise and address the specific locational requirements of different sectors. Rula considers that the site at Hesley Wood is deliverable in the short term and will make a significant contribution to the substantial shortfall in employment land as identified by the Council. The site is fully capable of being delivered in the next 5 years and therefore should be allocated for housing through the review of the Plan.

A Positive Response to the Key Objectives of the Framework

**14.29** The Framework sets out that the Governments key economic policy goal of securing economic growth in order to create jobs and prosperity. The economic growth will also proactively drive and support sustainable economic development to deliver homes, business and industrial units, infrastructure and thriving local places that the country needs. The Framework explains that the Government is committed to ensuring the planning system does everything it can to support sustainable economic growth and that significant weight should be ascribed to economic growth through the planning system. It also requires the effective use of land and existing infrastructure. The proposal responds positively towards this national guidance in that:

**14.30** In relation to the Framework:

- The site helps to meet employment needs and addresses an identified shortfall in employment land.
- The site is appropriate for accommodating employment development and economic growth, in particular needs for strategic warehousing and distribution, and manufacturing.
- The proposed site is accessible to existing local community facilities, national and local infrastructure services and public transport including rail.
- The site has been assessed and is available, suitable and achievable for development.
- The site is previous colliery land and requires regeneration.
- The site can be developed without adverse impact upon the Green Belt Openness and purposes.

Benefits of J35 Sheffield Gateway

**14.31** The development of the site would provide significant benefits. The site would provide employment land suitable to meeting the identified shortfall in employment land within the Plan area. The site is previously developed and provides a unique opportunity in a sustainable location, within reasonable walking distance to a train station, without compromising its Green Belt function and purpose.

**14.32** In accordance with the Framework this representation has shown that:

- The site is suitable for employment and can deliver circa one million square feet of employment floorspace for B2 and B8 uses.
- The proposal can provide a good mix of employment plots commensurate to the demand and need in the area, including the ability to accommodate large format units (over 100,000 square feet).
- The scheme uses land efficiently and effectively and helps to recycle derelict land.
- The scheme will restore and enhance the scouts camping field.
- The proposal is in line with planning for employment objectives and the emerging Local Plan update themes, relating to active travel, SUDS, green infrastructure.
- The site is within a sustainable location situated in close proximity to facilities and services, including within walking distance of Chapeltown Train Station and bus stops.
- The scheme will create direct and indirect job opportunities both during and after construction.
- The scheme will generate significant business rates for Sheffield.
- The scheme will create an additional £44m of Gross Value Added for Sheffield and the region.

**14.33** The proposal is an appropriate site to provide for the employment needs of the Plan area in the short term. The site is available, suitable and achievable and therefore deliverable in accordance with the Framework.

**14.1** Further deliverability evidence will be submitted in due course

# Proposed Change

**14.2** To overcome the objection and address soundness matters, the following changes are proposed:

- Review the Spatial Strategy and identify sites to meet the need for Industrial and Logistics.
- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 015 Policy ES1

## Policy ES1: Measures required to achieve Reduced Carbon Emissions in New Development

**15.1** Rula supports the reduction in carbon emissions, however policies should be flexible and reflect national policy and guidance.

## Justification

**15.2** Policy ES1 stipulates the measures that should be incorporated into new developments to achieve a reduction in carbon emissions in new developments.

**15.3** However, it is unclear from the Viability Appraisal how the additional costs have been incorporated into the assessment and where the evidence is derived from. Therefore, the evidence supporting the Plan does not robustly support the policy approach and the potential implications for development, which are mostly urban brownfield sites.

**15.4** The Viability Appraisal states for commercial schemes:

> *It is clear from a range of data sources that the additional costs will vary tremendously depending on the specifics of the building under consideration. In this assessment non-residential buildings are tested with up to 20% additional costs.*

**15.5** Policy ES1 requires further evidence and be fully justified in relation to implications for potential development schemes.

# Proposed Change

**15.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Update evidence.
- Incorporate flexibility.

# 016 Policy ES2

## Policy ES2: Renewable Energy Generation

**16.1** Rula supports the reduction in carbon emissions, however policies should be flexible and reflect national policy and guidance.

## Justification

**16.2** Policy ES2 expects the use of low-carbon energy sources in new developments. However, the Viability Appraisal only assesses solar panels and housing development.

**16.3** There is no assessment on non-residential schemes and other forms of energy generation and therefore the implications for the delivery of sites, which are mostly brownfield urban schemes.

**16.4** Policy ES2 requires further evidence and be fully justified in relation to implications for potential development schemes.

**16.5** Furthermore, Rula is unclear what the justification is for highlighting the area suitable for wind power, as denoted on the Proposals Map. Policy ES2 highlights the potential of only one wind turbine of up to 2.5 megawatts. Rula is unclear what the justification is, given the lack of evidence.

## Proposed Change

**16.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Update evidence.
- Incorporate flexibility.

# 017 Policy ES3

## Policy ES3: Renewable Energy Networks and Shared Energy Schemes

**17.1** Rula welcomes the ambitions to reduce carbon emissions. However, Policy ES3 requires flexibility to be in accordance with the Framework.

## Justification

**17.2** Policy ES3 states that new schemes will be required to connect to District Energy Networks will, where feasible, and for significant new developments to prepare a feasibly assessment for establishing a new network.

**17.3** It is unclear from the Viability Appraisal what allowance has been made for commercial schemes. For residential schemes £5,000 per unit has been assumed and £3,000 per unit for flatted developments, however there is no reference to commercial schemes. Therefore, there is no assessment for the implications for such a prescriptive policy, especially in a Local Plan that is focussed on developing brownfield urban sites.

**17.4** The Framework at paragraph 16 point d) states that Plans should: *"contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals."* It is clear then that polices should be clear and make sense to decision makers. The current wording of this policy should therefore be amended to incorporate flexibility.

## Proposed Change

**17.5** To overcome the objection and address soundness matters, the following changes are proposed:

- Amend the policy to incorporate flexibility.

# 018 Policy ES4

## Policy ES4: Other Requirements for the Sustainable Design of Buildings

**18.1** Rula supports the reduction in carbon emissions, however policies should be flexible and reflect national policy and guidance.

## Justification

**18.1** Policy ES4 requires, where relevant, to maximise the incorporation of sustainable design features, including green, blue or brown roofs. The terminology of the policy is vague "expected to maximise" and "as relevant" and should be amended to be clear, especially to maximise but only where relevant.

**18.2** The Framework at paragraph 16 point d) states that Plans should: *"contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals."* It is clear then that polices should be clear and make sense to decision makers. The current wording of this policy is unclear and vague and should therefore be amended to be clear and incorporate flexibility.

**18.3** Furthermore, the Viability Appraisal does not appear to include sufficient provision for Policy ES4. It only appears to consider green roofs and makes only a small percentage allowance for housing and flatted schemes, and no mention of commercial schemes.

**18.4** Therefore, there is no evidence supporting the policy approach or an assessment of its implications, especially in a Local Plan that is focussed on brownfield urban sites.

# Proposed Change

**18.5** To overcome the objection and address soundness matters, the following changes are proposed:

- Update evidence.
- Amend policy to for clarity purposes.
- Incorporate flexibility.

# 019 Policy GS6

## Policy GS6: Biodiversity Net Gain

**19.1** Rula is concerned that Policy GS6 does not accord with national policy and guidance and is therefore unsound.

## Justification

**19.2** Policy GS6 states that a minimum of 10% gain from pre to post development must be achieved for all habitat types evident on site. Furthermore, Policy GS6 sets out criteria for where in excess of a 10% net gain may be required.

**19.3** Stem d) of Paragraph 174 of the Framework states that planning policies should "minimise impacts on and provide net gains for biodiversity". if a development delivers the 10% minimum requirement by law it will ensure that paragraphs 174(d) of the Framework is addressed as it will ensure a net gain. As such any level above this is not necessary to make a development acceptable in planning terms and cannot be made a requirement in the Local Plan. Therefore, Rula does not consider that requiring Biodiversity Net Gain above a minimum of 10% meets the tests set out in paragraph 57 of the Framework.

**19.4** As the Government note on page 9 of their response to the consultation on Biodiversity Net Gain, they considered 10% to deliver the right balance between "ambition, achieving environmental outcomes, and deliverability and cost to developers".

**19.5** Rula consider it should be for the developer to decide whether they go beyond 10%. This is a position the Government also supports stating on page 9 of their response to the consultation on net gain that the 10% should not be a cap on the aspirations of developers who want to go further "voluntarily". It is important to remember that it is impossible to know what the cost of delivering net gain is until the base level of biodiversity on a site is known and consequently what is required to achieve a 10% net gain. On some sites this may be achievable on site with no reduction in developable area, for others it may require a large proportion of it to be addressed offsite, or a significant reduction in the developable area.

**19.6** Rula therefore considers Policy GS6 should be amended to achieve only a 10% Biodiversity Net Gain.

# Proposed Change

**19.7** To overcome the objection and address soundness matters, the following changes are proposed:

- Amend Policy GS6 to only achieve a 10% Biodiversity Net Gain.

# 020 Policy GS7

## Policy GS7: Trees, Woodlands and Hedgerows

**20.1** Rula is concerned that Policy GS7 is requiring significant new tree planting, which could affect the delivery of developments on tightly constrained urban sites.

## Justification

**20.1** Policy GS7 requires 1 tree per 100 sq. m. of internal floorspace per non-residential development. Rula supports Green and Blue Infrastructure and the need for further tree planting. However, the interaction of this policy alongside the need to deliver significant new employment on urban brownfield and recycled sites may render some sites undeliverable.

**20.2** Rula considers that such ambitions for new tree planting as part of Biodiversity Net Gain can only be achieved through large scale strategic sites.

**20.3** Rula is concerned with regards to the interaction of this policy with other policies in the emerging Local Plan and the ability for sites to accommodate the aspired employment development. Rula consider that further sites are needed to be identified to deliver the requisite employment land.

**20.4** Rula therefore considers that their site at the former Hesley Wood tip should be allocated for employment purposes.

## Proposed Change

**20.5** To overcome the objection and address soundness matters, the following changes are proposed:

- Amend policy to be less prescriptive.

- Allocate Rula's site at the former Hesley Wood tip for employment purposes.

# 021 Policy DC1

## Policy DC1: The Community Infrastructure Levy (CIL) and Other Developer Contributions

**21.1** Rula is concerned that the evidence base and the Viability Appraisal has limited information in relation to the assessment of Policy DC1.

## Justification

**21.2** Policy DC1 states that non-residential schemes will be required to contribute to transport infrastructure in accordance with Policy CO1 towards flood mitigation measures in accordance with Policy GS9.

**21.3** The Viability Appraisal states that £30/m2 has been assumed for commercial floorspace towards infrastructure, which was provided in an email in April 2019 (according to footnote 66). Rula is concerned that there is no supporting evidence for this assertion or how it was derived.

**21.4** Rula considers that further evidence is required and be consulted upon in relation to the Viability Appraisal.

**21.5** Furthermore, Policy DC1 does not include flexibility in relation to viability-led planning applications in case there are changed circumstances or unknowns during the lifetime of the Plan. Such an approach is in full accordance with the Framework.

## Proposed Change

**21.6** To overcome the objection and address soundness matters, the following changes are proposed:

- Update evidence base.

- Incorporate flexibility.

# Appendix 1: Advocacy Report

(Bound Separately)

# Appendix 2: Savills Report

(Bound Separately)

# Appendix 3: Green Belt Review

(Bound Separately)

# Hesley Wood, Sheffield

## Industrial & Logistics Needs Assessment

# Contents

# Executive Summary

This report responds to the opportunity to comment on Sheffield's Publication Draft Local Plan ('Draft Local Plan') and focuses on the evidence base and policies that relate to employment land and the large-scale (greater than 100,000 sqft).industrial and logistics sector (I&L) for logistics.

The report first presents Hesley Wood which is about 23 hectares of developable land that is potentially one of the only large, commercially attractive I&L development sites for the logistics sector which remains in Sheffield. Hesley Wood has near-direct access to Junction 35 of the M1 and its development would significantly address Sheffield's endemic shortage of employment land for logistics with capacity to deliver modern, large scale I&L premises within the City.

Our conclusion of the review of the Council's evidence base and policies is that the underlying analysis is fragmented, lacks sufficient transparency and employs flawed methodologies. Even though the Council's own analysis concludes there is a significant deficit of employment land for the I&L, the information and analysis is insufficient to demonstrate the assessment is robust. And in spite of what both Sheffield and Savills identify as a significant deficit, the Council suggests with limited high level evidence that it could be met by employment land in neighbouring local authorities. And there is no analysis of how much land is available in the neighbouring authorities for Sheffield after they meet their own identified need. Savills own analysis demonstrates that there are a limited number of sites in either Sheffield or the wider area to address this need. It is evidence that additional land is required.

To underline the problem with the Draft Local Plan, Draft Policy SP 1: Overall Growth Plan states that nearly 13 hectares of employment land will be delivered annually within Sheffield itself to 2039. This is equivalent to about 219.3 hectares. However the Council's identified supply shows that it has only allocated about 146 hectares and the Draft Local Plan states that it has supply of employment land of 171 hectares. (It is unclear how much land in extant permissions exists because the Council has not made this available.) Much of this land is either commercially unattractive, no longer available or can be used to accommodate non-employment uses such as hotels and shops (in the case of sites for General Employment). The result is a shortfall of at least 48.3 hectares of employment land (219.3 hectares to be delivered by the Council versus supply of 171 hectares) and a chronic shortage as identified in Sheffield's own Employment Land Review (ELR) where it notes that 'many Sheffield companies relocated to other authority areas' and that there is a need for additional sites. This inherent contradiction in the Council's evidence base needs to be resolved.

Whilst the Council's estimate of need identifies a large deficit, our own assessment of the evidence base shows that the Council's approach to calculating need results in an even greater deficit. Whilst we explain the limitations of the methodologies employed by the Council in estimating need (in Section 5), our gravest concern is that the evidence base does not sufficiently account for the effects of the historic undersupply ('suppressed demand') or account for the current and future growth drivers of I&L premises such as the growth in online retailing or housing growth in the area.

Section 8 presents Savills' own estimate of Sheffield's employment land need. Based on a methodology that accounts for historic suppressed demand arising from the endemic shortage of available premises, over the 17-year period of the Draft Local Plan the estimate of overall demand for I&L in Sheffield is about 300 ha of land. This is more than 65 ha above Sheffield's own identified demand. Even greater discrepancies arise when comparing the need for large I&L units, particularly for logistics. We estimate that about 193 hectares is needed for large I&L (B2 / B8) premises (greater than 100,000 sq.ft.) and about 163 hectares for large logistics units. This is more than twice the level

identified in the Council's evidence base.

Sheffield's problems in meeting its identified need becomes even more acute when the supply of available and allocated land is critically assessed. Our detailed review identifies only 14 ha in Sheffield and about 92 ha across the four key local authorities in the region that is commercially attractive land likely to come forward over the period of the Draft Local Plan. Many of the most attractive sites identified in Sheffield's Draft Local Plan or the plan documents of other local authorities have already been developed. Other sites are simply unlikely to come forward over the because they aren't sufficiently commercially attractive. The reasons why these sites are less deliverable include their compromised access; site constraints; sensitive uses in the vicinity; or their less desirable locations.

This report's broad conclusion is that Hesley Wood provides the Council will its most compelling opportunity to address the chronic shortage of employment land for large scale logistics identified in its evidence base. There is simply insufficient capacity either in Sheffield or across the wider area to meet its need. This is having a detrimental impact on the local economy and its prospects for higher levels of growth.

# 1. Introduction

## 1.1. Purpose & Methodology

1.1.1. This report responds to the public consultation on Sheffield's Publication Draft Local Plan ('Draft Local Plan') that takes place from 9th January until 20th February 2023. Its focus is on the Draft Local Plan's employment land evidence base and policies.

1.1.2. The report first presents one of the best-located potential industrial & logistics (I&L) development sites in Sheffield that would help address the shortage of modern, large scale I&L premises. The Council's draft policies for the provision of employment land, as currently proposed, does not allocate enough land to meet the strong demand within the I&L sector, particularly for large scale premises (greater than 100,000 sqft) in particular.

1.1.3. The policies in the Draft Local Plan and their potential impacts are assessed by first reviewing national trends in the I&L sector. It then reviews the Council's evidence base and policies and presents our understanding of the Council's own portrayal of its employment land position and forecast. The report then presents Savills own assessment of Sheffield's employment land market; the current and proposed supply of employment land; and future demand. Savills future demand forecast accounts for key considerations and demand drivers which are largely ignored in the Council's own assessment of future demand. The report finally presents an estimate of the economic benefits and jobs that would be generated by the Proposed Development at Hesley Wood.

## 1.2. Report Structure

1.2.1. The report is structured as follows:

- **Section 2:** Subject Site & Proposed Development
- **Section 3:** Property Market Area
- **Section 4:** Key Trends in the I&L Sector
- **Section 5:** Policy & Evidence Base Review
- **Section 6:** I&L Market Assessment
- **Section 7:** Savills Review of Supply
- **Section 8:** Savills Future Demand Estimates
- **Section 9:** Economic & Employment Benefits of Proposed Development
- **Section 10:** Conclusions

## 1.3. Reader Note

1.3.1. When we refer to the industrial and logistics (I&L) sector we mean Light Industrial (formally B1c use class now part of Class E), General Industry (B2 use class) and Storage and Distribution (B8 use class). Effectively the primary use classes that require shed-type units (including ancillary offices) and associated yard spaces. These use classes typically cover the diverse range of industrial, manufacturing and logistics companies that operate within England.

# 2. Subject Site & Proposed Development

## 2.1. Introduction & Summary

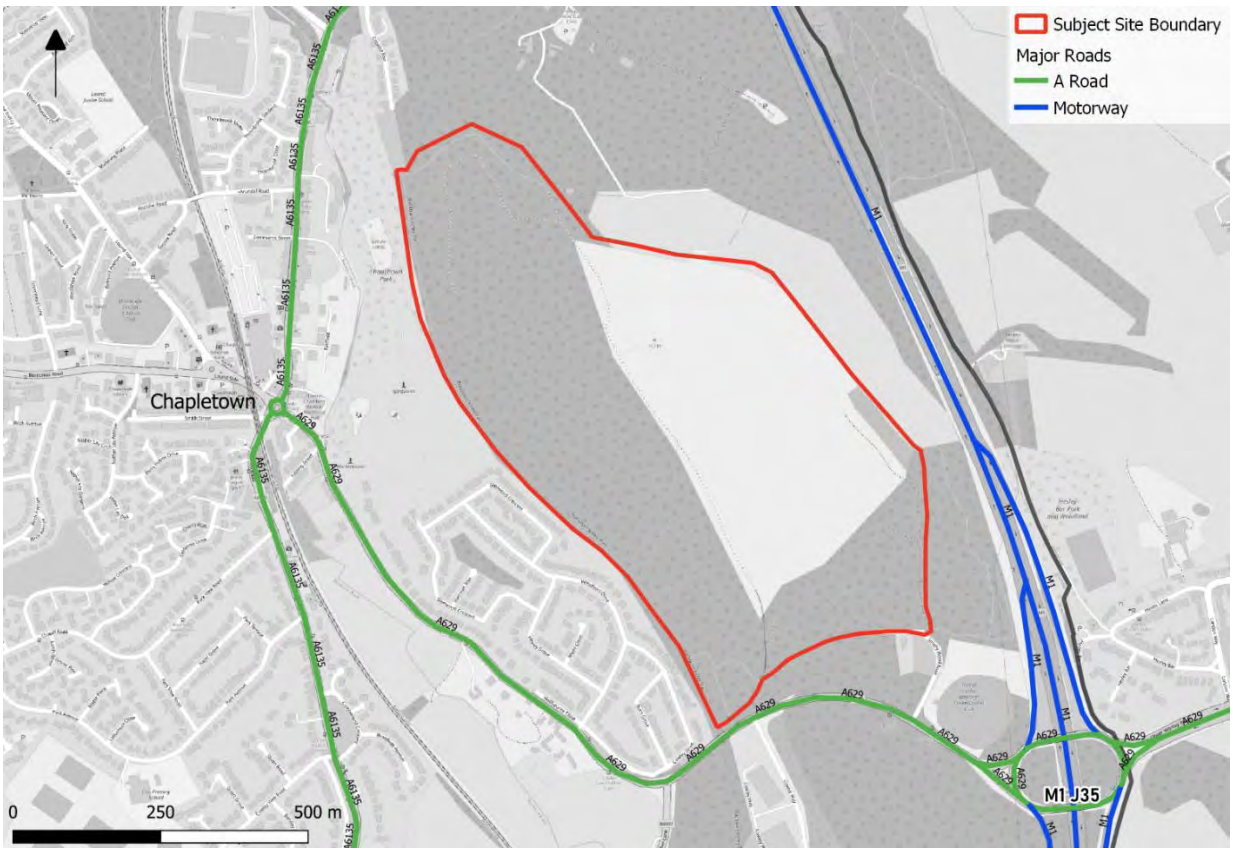
2.1.1. This section presents the Hesley Wood site and its spatial context. It is one of the few remaining large and undeveloped potential I&L sites in Sheffield. The site has excellent access to strategic HGV and LGV routes, major logistics infrastructure, and customers, businesses and labour. This section also presents the Proposed Development for Hesley Wood.

## 2.2. Site Context

2.2.1. Hesley Wood is located to the east of the village of Chapeltown within the administrative boundary of Sheffield City Council (SCC). Access to the site is from the south-western edge by the A629 and comprises approximately 23 ha of developable land. **Figure 2.1** shows the site has near-direct access to Junction 35 of the M1.

2.2.2. Hesley Wood is approximately 500m east of Chapeltown railway station and 9km north of Sheffield City Centre. It is a former colliery that is clear of existing structures. The site has varied levels but no significant development constraints.

**Figure 2.1 Hesley Wood Site Plan**




*Source: Savills 2023*

## 2.3. Strategic Advantages

2.3.1. Hesley Wood benefits from a number of significant strategic advantages that make it ideal for I&L development. These include:

- Near direct access to a junction of a nationally significant motorway (M1);
- Convenient access to suppliers and end customers;
- Convenient access to a large pool of potential workers (labour supply); and
- Convenient access to major freight handling infrastructure that can be utilised as part of I&L companies' wider supply chains.

2.3.2. We consider Hesley Wood's strategic advantages in greater detail below.

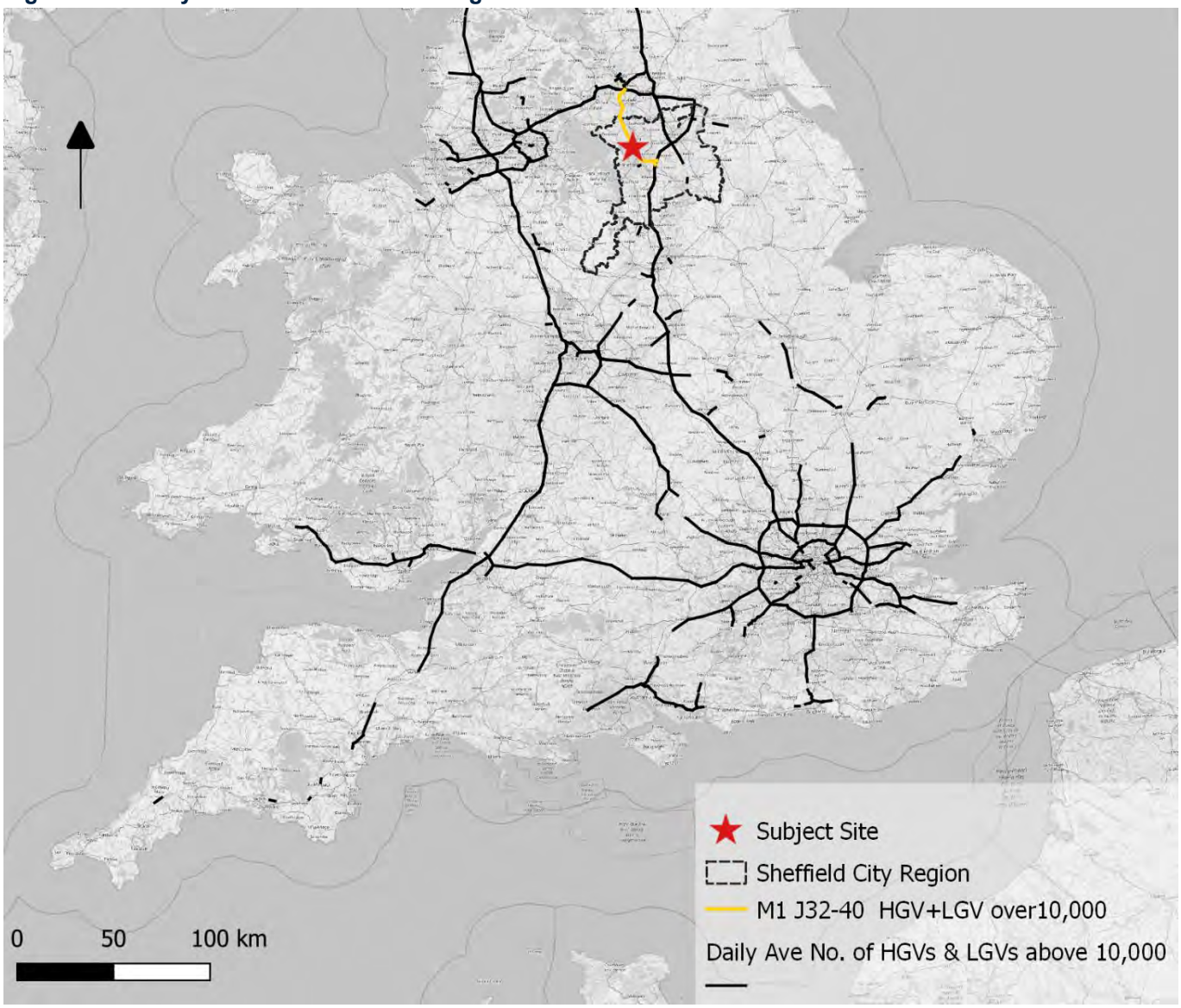
2.3.3. Hesley Wood is also located nearby to areas of deprivation which would benefit from the diverse range of jobs that the I&L sector typically provides. Also, key to the site's attractiveness for I&L uses is that it is one of the few remaining large and undeveloped sites within SCC.

***Hesley Wood Has Near-Direct Access to the M1 Motorway***

2.3.4. As shown in **Figure 2.2**, the M1 is a nationally significant movement corridor that accommodates over 10,000 HGV and LGV movements per day. Hesley Woods access to such a critical motorway junction would be extremely beneficial to I&L occupiers. According to Savills European Logistics Census, location is the most important factor impacting business investment decisions in the I&L sector (89% of respondents).[1]

[1] Savills European Logistics Census (2021) is a survey of over 400 occupiers, developers, investors, landowners, asset managers, agents and advisors involved in the I&L sectors. Its aim is to understand and opportunities and challenges facing the sector and is available at https://pdf.euro.savills.co.uk/european/european-commercial-markets/spotlight---european-logistics-census-winter-2021-2022.pdf

**Figure 2.2 Hesley Wood's Access to Strategic LGV and HGV Routes**




*Source: Savills 2023; DfT*

***Hesley Wood Is Accessible to Suppliers and End Customers***

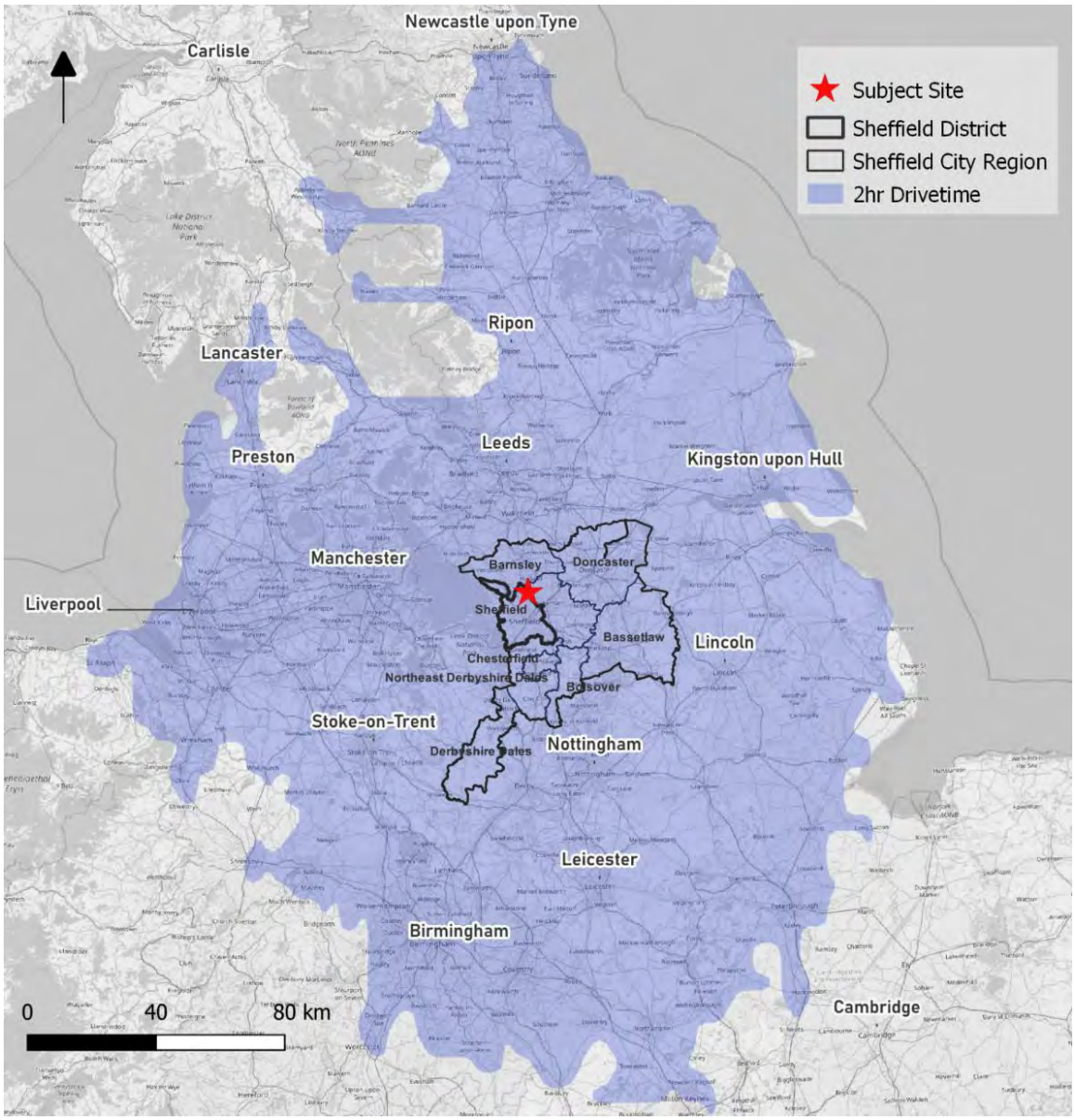
2.3.5. Most I&L occupiers operate in locations within 1 to 4 hours travel time of their suppliers and end customers. This benefits the efficiency and sustainability of their supply chain. Shorter travel times are more typical of small local companies, while longer travel times are more typical of larger companies that do business throughout the country.

2.3.6. If we take the middle ground of 2 hours, which is appropriate for most companies, over 25 million people (40% of England and Wales's population) and 909,250 businesses (19% of England's businesses) can be accessed from Hesley Wood.[2] Such impressive numbers are achieved due to the proximity of large

[2] This analysis uses GIS conducted on ONS Population Estimates and Business Count data at Middle Layer Super Output Areas (MSOAs)

conurbations within its catchment such as Stoke-on-Trent, Ripon, Kingston upon Hull, Lincoln, Birmingham, Nottingham, Leeds, Leicester and Manchester which are all within 2 hours as shown in **Figure 2.3**.

**Figure 2.3 Hesley Wood's Two-Hour Drive Time Catchment**




*Source: Savills 2023; DfT.*

### *Hesley Wood Provides Access to a Large Labour Pool*

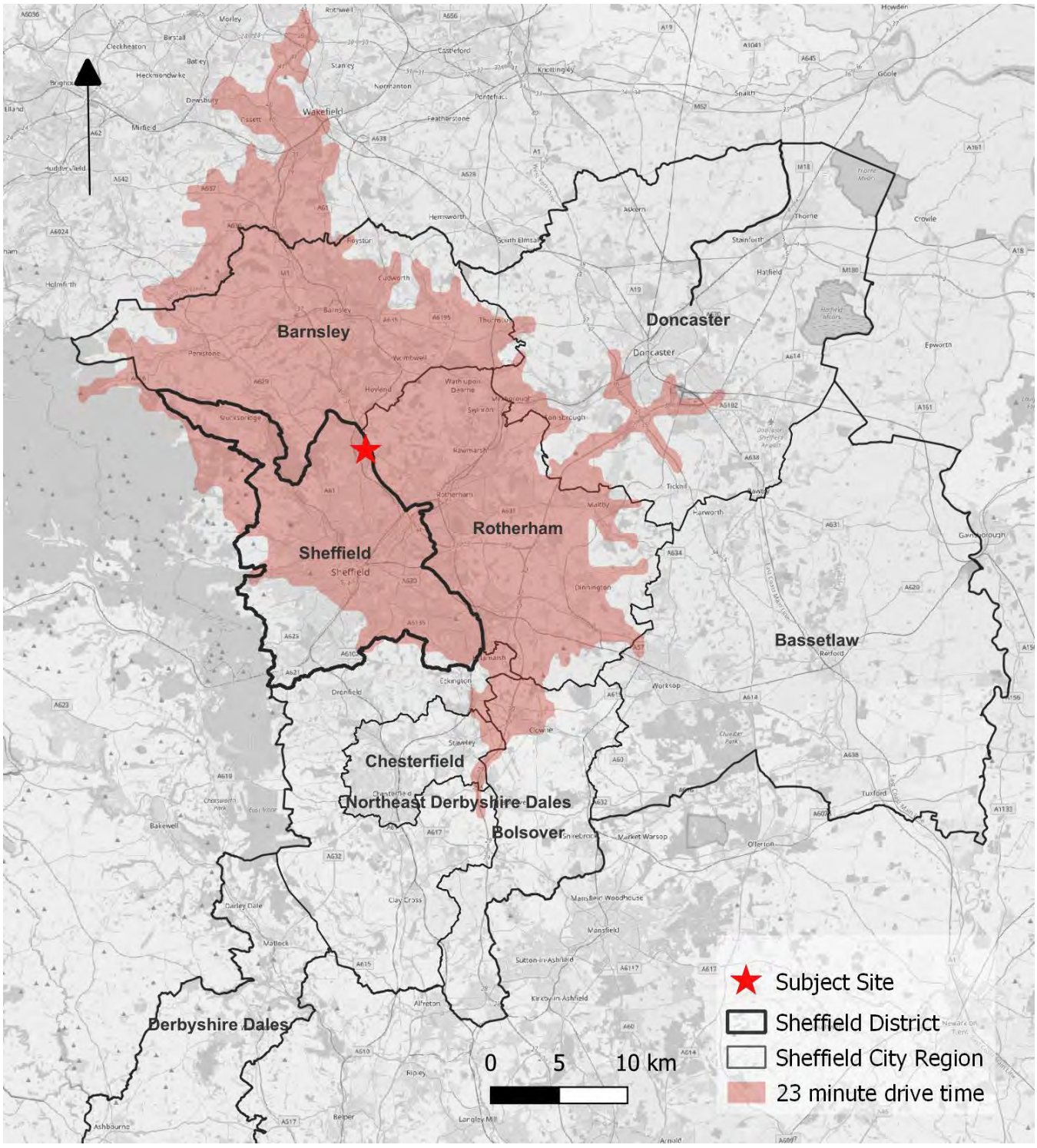
2.3.7. The I&L sector is a growing segment of the economy with significant employment growth opportunities across the sub-region. This means it can play a key role in re-employing local people who have lost jobs in other sectors as result of the Covid Pandemic or the current macro-economic challenges. Despite having been constrained by insufficient supply (discussed in Section 6), Sheffield's I&L sector has supported job growth of 1% between 2016 and 2021. The I&L sector could support significantly higher jobs growth in Sheffield if its growth was facilitated by additional land supply such as the Hesley Wood site.

**2.3.8.** Labour availability is one of the key factors impacting investment decision in the I&L sector as evidenced in Savills European Logistics Census according to around 50% of respondents.3 We consider a 23-minute drive time catchment to be appropriate for accessing labour from Hesley Wood. This is the average home-to-work travel time for Sheffield.[4] **Figure 2.4** shows that within this catchment about 828,000 working-age people can be accessed. This represents a high level of workforce accessibility and a considerable labour pool for future businesses who could locate at Hesley Wood.

[3] Savills European Logistics Census (2021), p5

[4] ONS User Request Data – 2018: TRVTME Usual home to work travel time (minutes) by local authority

**Figure 2.4 23-Minute Drive Time Catchment**




*Source: Savills 2023*

### *Hesley Wood Links to Major Freight Handling Infrastructure*

2.3.9. Savills advises on numerous major freight handling projects across England. These include East Midlands Gateway, West Midlands Interchange (WMI), DIRFT, Humber Ports, Ellesmere Port, Southampton Airport and Heathrow Airport. These projects demonstrate that I&L premises that are not directly linked to freight handling infrastructure can benefit from and make use of use nearby freight handling infrastructure (i.e., airports, ports and rail freight interchanges). A study of the operations of DIRFT I and II analysed the destination of outbound lorries leaving its rail terminal. It found that 73% of all outbound lorries were destined to locations outside the DIRFT estate. [5]

2.3.10. To assess Hesley Wood's access to freight handling infrastructure we have used the 2-hour drive time catchment. We consider this suitable as it is likely to capture the majority of I&L businesses in the area that may use freight handling infrastructure as part of their supply chains. We have also used a 45-min drive time catchment (based on previous work) of what operators of rail freight interchanges consider their primary catchment area for businesses using their facilities.

2.3.11. **Table 2.1**lists freight handling infrastructure within a 45-minute and 2-hour drive time catchment of Hesley Wood. **Figure 2.5** shows the geographic coverage of these catchments.

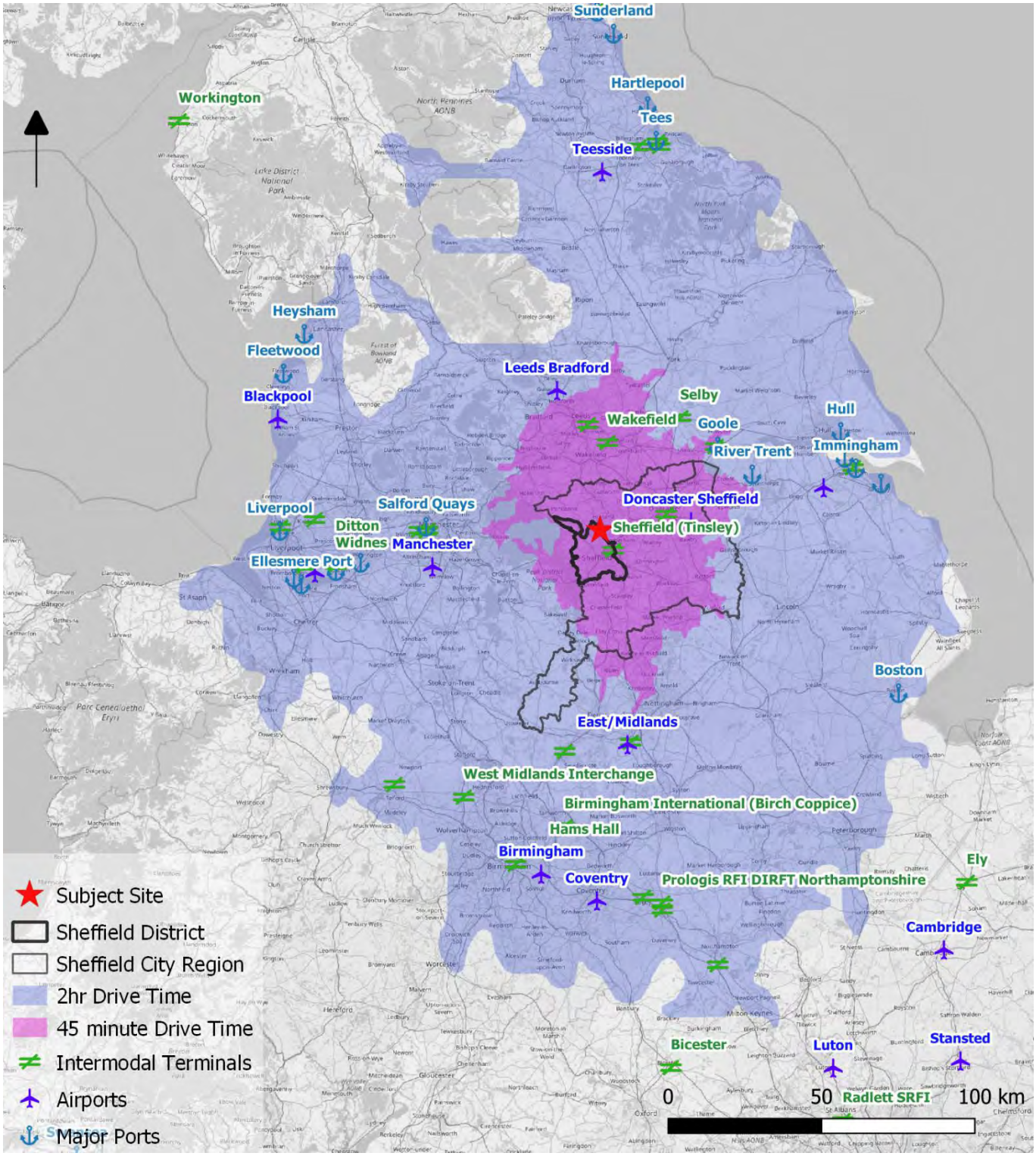
**Table 2.1 Freight Infrastructure within a 45 Minute and 2 Hour Drive Time Catchment**

| | 45 Minute Drive Time Catchment | 2 Hour Drive Time Catchment |
|---|---|---|
| **Rail Freight Interchanges** | Doncaster; Sheffield (Tinsley); Goole; Wakefield; Leeds Stourton | Birmingham International (Birch Coppice); Burton; Cleveland; (Wilton); Daventry 1 and 2; Ditton/Widnes; Doncaster; Donnington; Goole; Hams Hall; Immingham; Knowsley; Lawley; Street; Leeds Stourton; Liverpool Garston; Manchester; Northampton Gateway Rail Freight Interchange; Port of Liverpool (Seaforth); Port of Tyne; Prologis RFI DIRFT Northamptonshire; Rugby; SEGRO East Midlands Gateway; Selby; Sheffield Tinsley); Teesport; Tess Riverside Intermodal Park (TRIP); Trafford Park 1; Trafford Park 2; Wakefield; West Midlands Interchange |
| **Airports** | None | Humberside International; Coventry; Teesside; Leeds Bradford; Blackpool; Liverpool; Birmingham; East Midlands; Manchester; Doncaster Sheffield |
| **Major Ports** | Goole | Boston; Ellesmere; Fleetwood; Goole; Grimsby; Hartlepool; Heysham; Hull; Immingham; Liverpool; Port Warrington; Queen Elizabeth II Dock; River Trent; Runcorn Docks; Salford Quays; Sunderland; Tees; Tyne |

*Source: Savills 2023*

[5] Nathaniel Lichfield & Associates (2012), DIRFT III: Planning For The Future – The Expansion Of Daventry International Rail Freight Interchange – cited in Roxhill (2019), Document 6.8 – Market Analysis Report – Northampton Gateway Strategic Rail Freight Interchange

**Figure 2.5 Freight Infrastructure within a 45-Minute and 2-Hour Drive Time of Hesley Wood**




*Source: Savills 2023*

### *Hesley Wood Could Improve the Employment Prospects of Deprived Communities*

2.3.12. The I&L sector has become far more diverse in the last decade in terms of the different types of jobs it supports. This allows it be a key re-employer of people who have lost jobs in other sectors. For instance a person that may have lost their job as an engineer or IT consultant within an office-based firm can now find similar roles in I&L.

2.3.13. This ability of the sector to provide high-skilled jobs is linked to its increasing automation and the complexity and reach of I&L supply chains. As shown in **Figure 2.6**, today many companies co-locate their office, R&D and administrative functions with their production, manufacturing and distribution operations, therefore bringing different occupations and specialisms together in one place.

2.3.14. The logistics sectors is also particularly good at providing employment opportunities to those that may not otherwise be in work. Based on a recent independent survey undertaken by YouGov, Frontier-Economics found that 20% of workers in the logistics sector were previously unemployed and that within this group, one in four was long-term unemployed.[6] As of June 2022, the proportion of working age adults classified as unemployed in Sheffield was 4.4% which is marginally higher than the national rate of 3.8%.[7] The number of people claiming benefits within Sheffield in November 2022 was around 15,000.

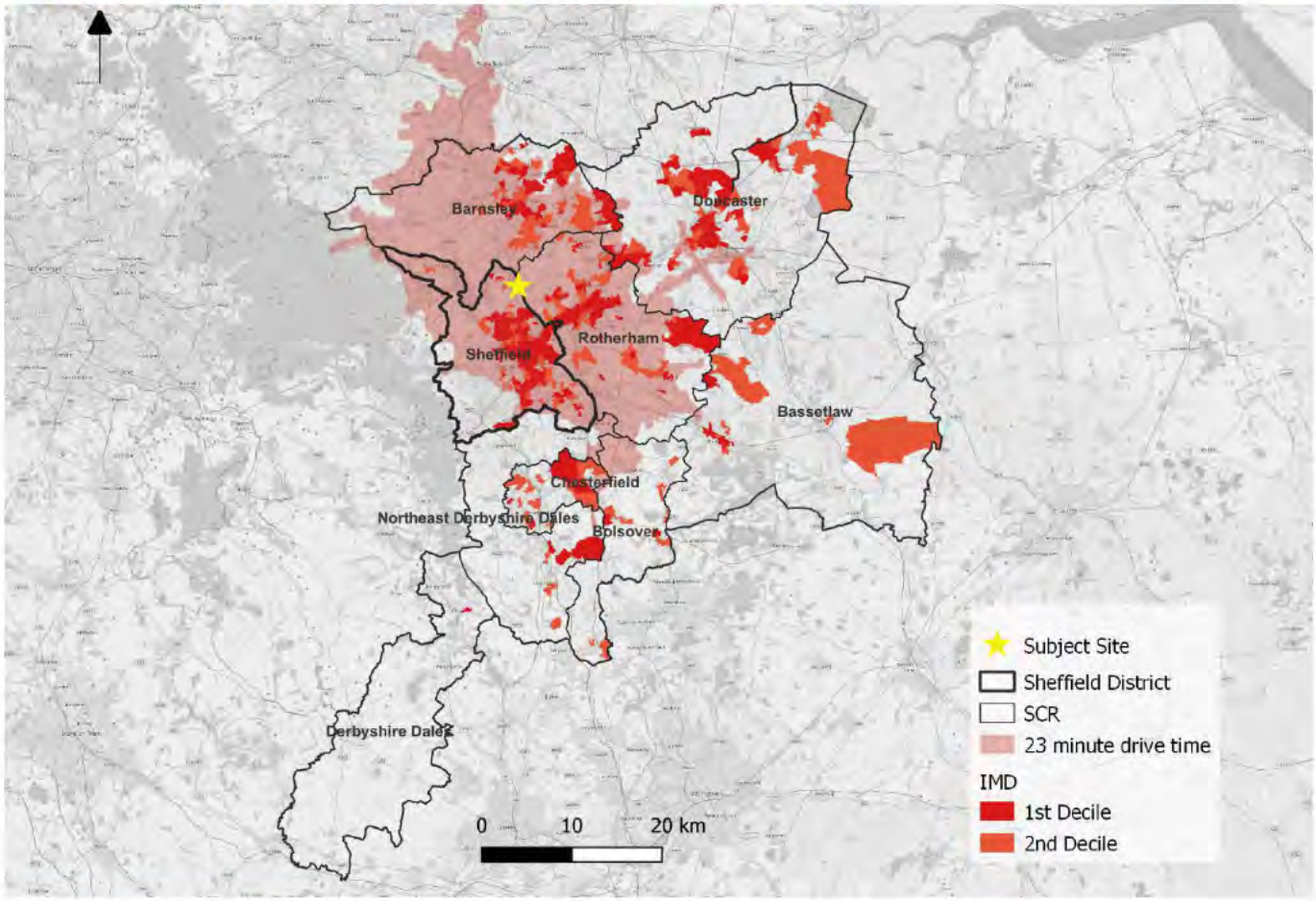
2.3.15. The link between addressing deprivation through I&L development is now recognised by the planning system. For example, in a recent decision called in by the Planning Inspectorate for an I&L development in St Helens, the Secretary of State agreed with the Inspector that the jobs created by the development "would have a tangible benefit to the local economy and would provide an early opportunity to help address […] deprivation issues".

2.3.16. The map in **Figure 2.6**Error! Reference source not found. shows that within proximity of Hesley Wood and a cross Sheffield, Barnsley and Rotherham in particular, there are numerous neighbourhoods that score among the top 20% most deprived areas in England. Many of these neighbourhoods are within the 27-minute average home-to-work travel time for Sheffield. This means that Hesley Wood would increase the employment opportunities available to the residents of these deprived neighbourhoods.

[6] Frontier Economics (2022) The Impact of Logistics Sites in the UK. Available at:
https://logistics.org.uk/CMSPages/GetFile.aspx?guid=d3e3d23c-2dca-4b0a-8406-0d126c71eb4d&lang=en-GB

[7] Nomis (2022) Labour Market Profile – Sheffield. Available at:
https://www.nomisweb.co.uk/reports/lmp/la/1946157123/report.aspx#tabwab

**Figure 2.6 Index of Deprivation within the Sheffield City Region (SCR)**




*Source: Savills 2023; IMD 2021*

## 2.4. Proposed Development at Hesley Wood

2.4.1. Hesley Wood seeks to deliver over 1 million sq.ft of I&L floorspace. The site is highly deliverable and has the flexibility to accommodate a range of units. **Table 2.2** provides an indicative breakdown of the site if it were to be developed exclusively for large units (greater than 100,000 sq.ft.). **Figure 2.7** presents a corresponding indicative masterplan.

**Table 2.2 Hesley Wood Area Schedule of Indicative Masterplan**

| Unit | Square Feet (GIA) | Square Metres (GIA) |
|---|---|---|
| Unit A | 178,900 | 16,620 |
| Unit B | 263,025 | 24,436 |
| Unit C | 284,340 | 26,416 |
| Unit D | 298,535 | 27,734 |
| **Total** | **1,024,800** | **95,206** |

*Source: Spawforths, 2023*

**Figure 2.7 Hesley Wood Indicative Masterplan**


*Source: Spawforths, 2023*

# 3. Property Market Areas

## 3.1. Introduction

3.1.1. Before we consider the strength of the I&L market relevant to Hesley Wood, we need to define the appropriate geography of the Property Market Areas (PMA) and sider area for which we assess I&L market dynamics.

## 3.2. Defining a Property Market Areas

3.2.1. The PMA needs to be relevant to Hesley Wood, namely they are 'areas of search' within which the site sits and which prospective I&L occupiers will consider. The PMA would include the competing locations to Hesley Wood for attracting this occupier demand.

3.2.2. To define the appropriate PMA for Hesley Wood we first consider the relevant evidence base documents. The Sheffield Employment Land Review (ELR 2020) identifies Sheffield's Functional Economic Market Area (FEMA) as comprising Sheffield and Rotherham.[8] (A FEMA is a group of administrative areas which share economic linkages as defined by travel to work patterns, housing market areas, shared infrastructure, labour skills and other socioeconomic factors.) The Sheffield Logistics Study (2022) identifies the Sheffield PMA is comprising Sheffield, Rotherham, Barnsley and Doncaster. These are the two most relevant geographies for considering land for I&L in Sheffield. In neither of the most relevant PMAs are Bassetlaw Bolsover, Chesterfield, Derbyshire Dales or North East Derbyshire identified as being part of Sheffield's PMA.

3.2.3. The ELR also references the wider Sheffield City Region (SCR), as do other key evidence base documents. As we discussed in **Section 2**, I&L occupiers typically have supply chains that span 1 to 4 hours travel time linking themselves with their suppliers and end use customers, meaning their operations cover a far greater area than one or two local authorities. For these reasons we consider a sub-regional approach to assessing I&L demand appropriate and is consistent with the Planning Practice Guidance.[9]

3.2.4. The Sheffield City Region comprises the following local authorities (as shown in **Figure 3.1**):

- Doncaster
- Barnsley
- Bassetlaw
- Bolsover
- Chesterfield
- Derbyshire Dales
- North East Derbyshire
- Rotherham

[8] Sheffield ELR (2020), para 3.51

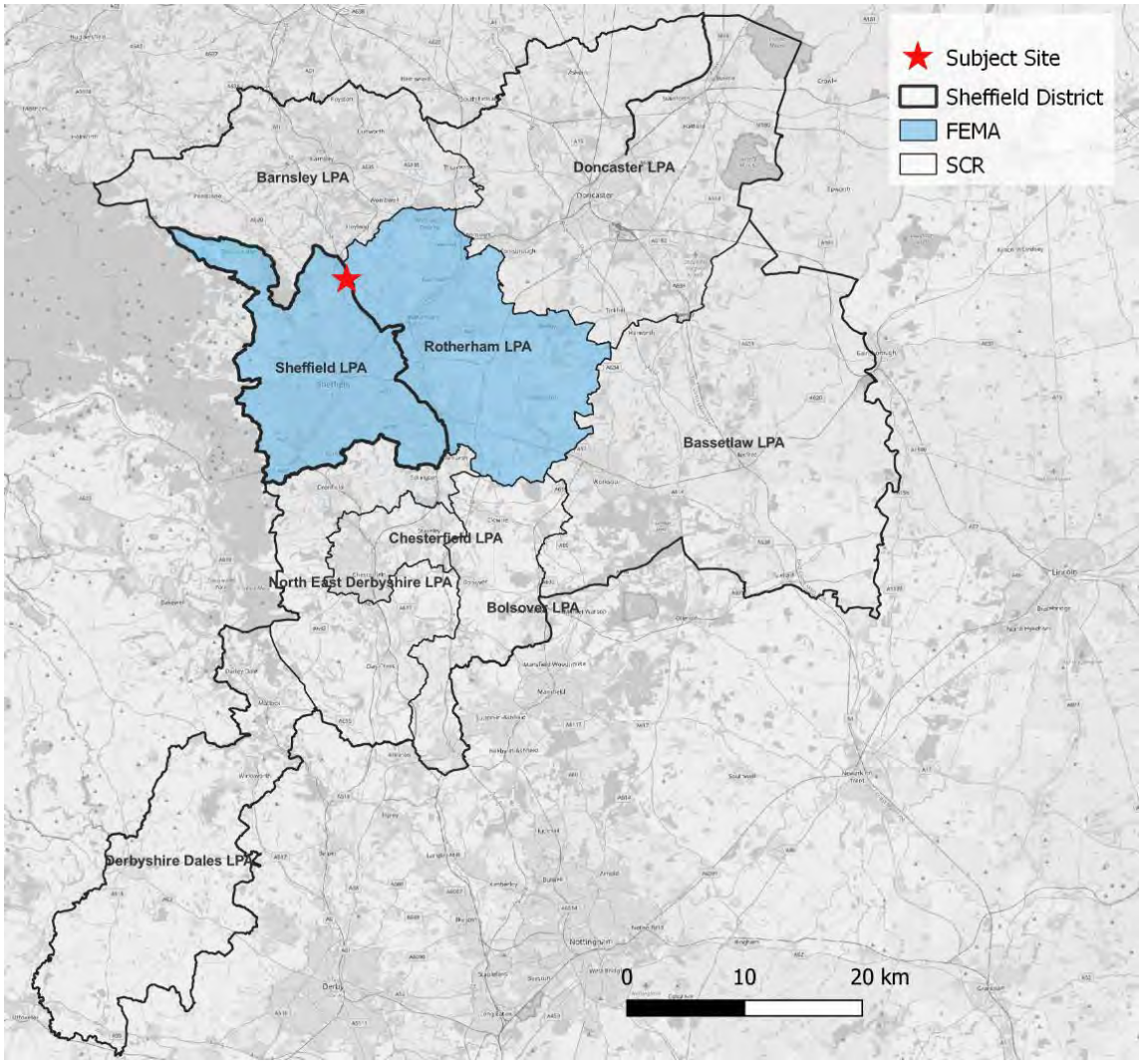
[9] Paragraph: 007 Reference ID: 3-007-20190722 and Paragraph: 025 Reference ID: 2a-025-20190220

- Sheffield

**3.2.5.** We consider this wider geography to be appropriate for considering sub-regional market signals relevant to I&L uses. Our 'I&L Market Assessment' (**Section 6**) and 'Savills Future Demand Estimates' (**Section 8**) use this wider geography to inform the alongside the Council-defined FEMA (comprised of Sheffield and Rotherham) or the Sheffield PMA defined in the Logistics Study (comprised the key local authorities of Sheffield, Rotherham, Barnsley and Doncaster.

3.2.6. **Figure 3.1** sets out the Sheffield's PMA (the FEMA) and the SCR.

**Figure 3.1 Property Market Areas for Hesley Wood**




*Source: Savills, 2023*

# 4. Key Trends in the I&L Sector

## 4.1. Introduction

4.1.1. In this section we discuss some of the key trends that have been driving growth in the I&L sector. We draw upon analysis from Savills' recent publication for the British Property Federation "*Levelling-up – The Logic of Logistics*"[10], Savills' *Big Shed Briefings* and other relevant research.

4.1.2. Not only has the I&L sector been outperforming other commercial sectors in the UK for some time, but it is also 'critical national infrastructure' that supports the functioning of our economy and the way we live our lives. The food we eat, the products and services we purchase, the materials used to build new homes and new infrastructure, even the vaccines that give us protection from Covid-19 are stored, manufactured and distributed from warehouses and factories to 'us' the end customer.

4.1.3. The I&L sector enables the movement of goods across a multi-modal network of road, rail, air, and water routes. Most businesses draw on supply chains - many of which are global in scale - that rely upon these multiple modes of transport and on the transfer between freight nodes (such as ports, airports, rail freight interchanges and road) to warehouses and then finally onto the end customer. Without these facilities and the increasingly efficient supply chains that link them with suppliers and end customers, the delivery of our purchases would be much slower, more expensive and we would have less choice.

4.1.4. Within the warehouses and industrial sectors, including supply chains, lie a diverse array of skill-based occupations. Over the past 10 years, there has been a shift away from mainly managerial and warehouse operation roles, and an increase in more technological, trained and skilled occupations, while there has been a decrease in managerial positions. The focus has been shifted to allowing more specialists to work within particular roles, allowing the workforce to diversify across all occupation groups with varied skillsets.

## 4.2. National and regional property context

4.2.1. Both logistics and manufacturing businesses, which together make up the I&L sector, require similar, shed-type properties (including ancillary offices). In terms of location, they both desire highly accessible sites nearby to motorway junctions and other freight handing infrastructure as well as major population centres.

4.2.2. In 2021, Savills Big Shed Briefing (which assesses I&L premises above 100,000 sqft.) found that gross take-up nationally – shown in **Figure 4.1** - reached a new annual record of 5.12 million sqm, **86% above the annual average**[11]. The number of transactions nationally was 220, surpassing the previous record of 172 in 2020[12]. The 2022 mid-year findings of the Big Shed Briefing[13] reported that Quarter 2 (Q2) was the second best Q2 on record and that overall take-up for half-year (H1) reaching a new record of 28.6 million

[10] Savills and BPF (2022), *Levelling-up – The Logic of Logistics*

[11] Savills Research (2022), Big Shed Briefing (January 2022) Available at:

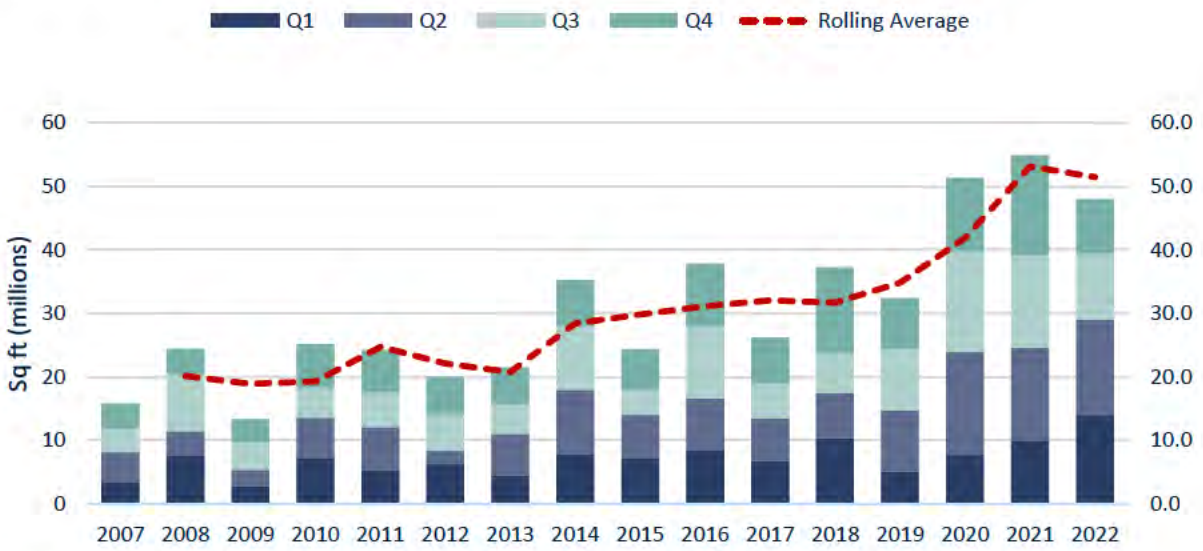
https://www.savills.co.uk/research_articles/229130/323880-0

[12] Ibid.

[13] Savills Research (2022), Big Shed Briefing (July 2022) Available at: https://pdf.euro.savills.co.uk/uk/commercial---other/spotlight---big-shed-briefing---july-2022.pdf

sqft., surpassing last year's total and **exceeding the H1 long-term average by 90%**. The full year figures for 2022 showed that despite increasing economic headwinds, it was the third highest year for take-up on record.

**Figure4.1 I&L Sector National Take-Up for Premises 100,000+ sqft. (2007-2022)**

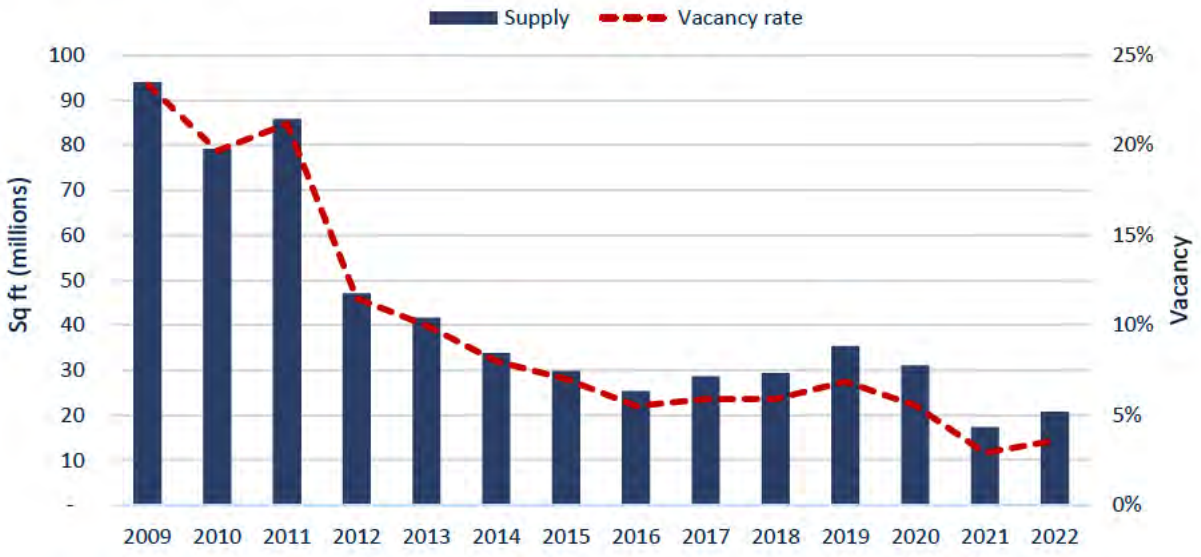



*Source: Savills, 2023*

4.2.3. Strong take-up has meant that the **supply of premises nationwide has fallen at its fastest pace ever**, with a national vacancy rate estimated to be about 3% at the end of 2022 as shown in **Figure 4.2**.[14] There is a particularly severe shortage of supply of the high quality Grade A space, and given the increasing costs associated with running warehouses it comes as no surprise that occupiers are gravitating towards better quality buildings with better Environmental, Social and Governance (ESG) features.[15]

[14] Ibid
[15] Ibid.

**Figure** Error! No text of specified style in document.**4.2 National supply and vacancy levels – 100,000+ sqft. properties (2009-2022)**




*Source: Savills, 2023*

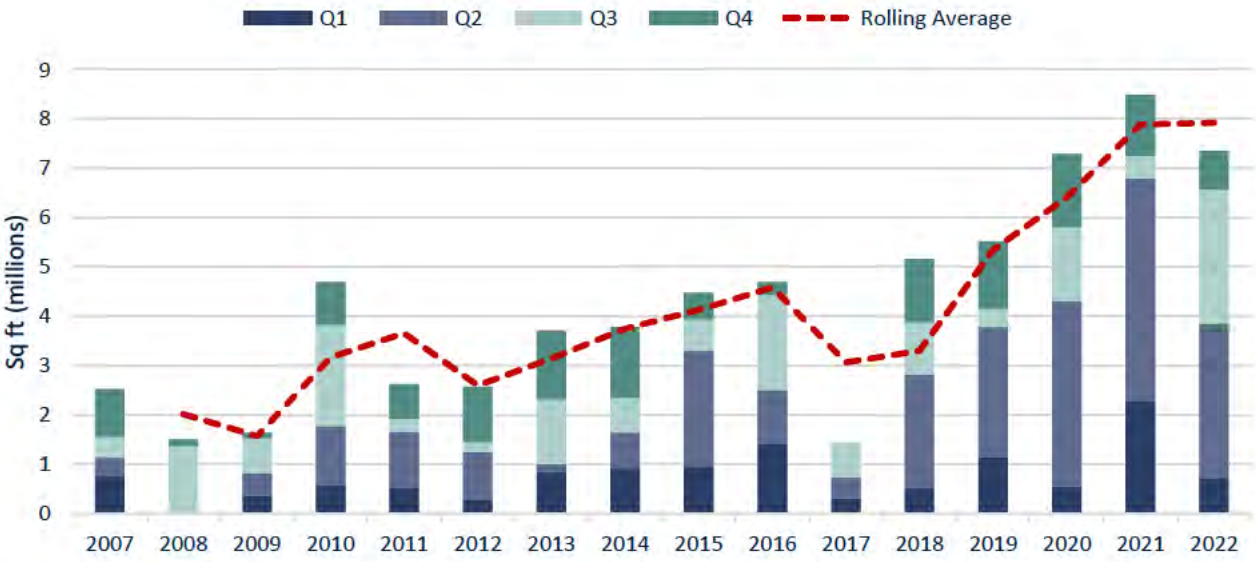
4.2.4. Savills Big Shed Briefing also covers the Yorkshire and North East region, finding that take-up in 2022 was just slightly below 2021's record-breaking year. 2022 ended with take-up reaching 7.3 million sqft (**Figure 4.3**).[16] Supply remained at chronically low levels, with vacancy standing at just 2.5% in at the end of 2022 which equates to just 0.23 years' worth of supply (**Figure 4.4**).[17] The report notes that only 22% of supply is Grade A, with the rest being Grade B or C.[18] A vast proportion of this space is unlikely to accommodate modern occupier requirements. This is in light of rising concerns surrounding the suitability of a unit, particularly referencing its ESG credentials, power availability and amenities.

[16] Savills Research (2023) Big Shed Briefing: The Logistics Market in Yorkshire and the North East. Available at: https://www.savills.co.uk/research_articles/229130/338087-0/big-shed-briefing---january-2023

[17] Ibid

[18] Ibid

**Figure 4.3 Yorkshire and North East's I&L Take-Up for Premises 100,000+ sqft. (2007-2022)**




*Source: Savills, 2023*

**Figure 4.4 Yorkshire and North East's I&L supply and vacancy levels – 100,000+ sqft. properties (2009-2022)**


*Source: Savills, 2023 Note: Some data was unavailable for certain time periods.*

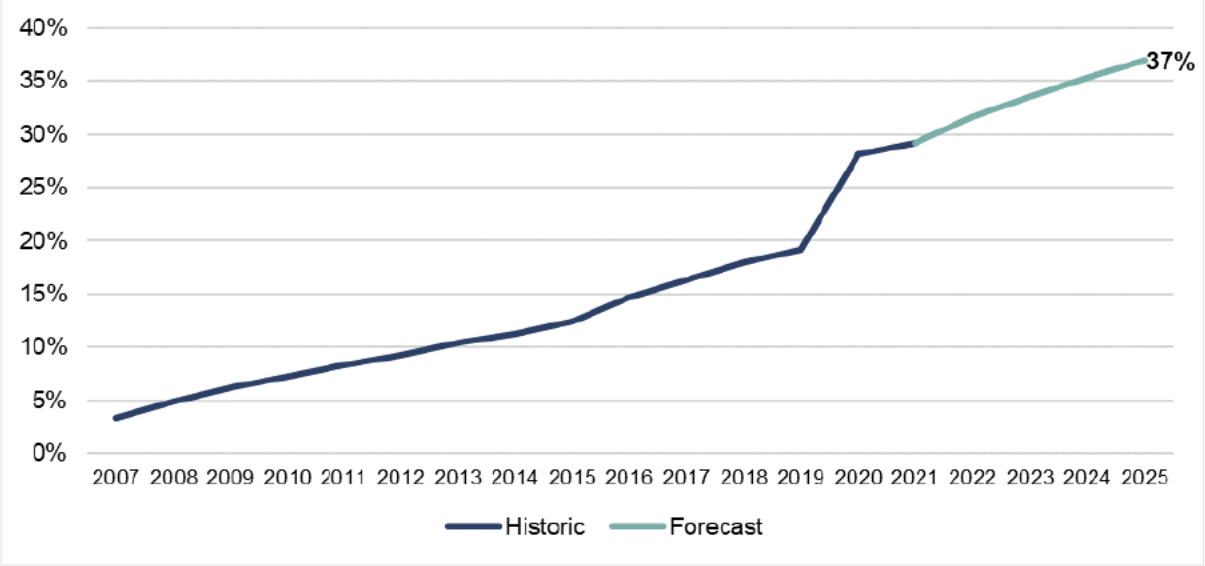
## 4.3. Current I&L Growth Drivers

4.3.1. The I&L sector is facing an era of unprecedented change. The past decade has seen the sector undergo a remarkable transformation, reshaping operating models and occupier requirements in ways that are only starting to become recognisable as an industry-wide phenomenon. Logistics uses in particular have shown strong performance for a number of years, but the Covid-19 pandemic has exacerbated existing trends. This has driven demand up even further for logistics floorspace while adversely impacting other commercial sectors such as retail and offices.

4.3.2. We consider the shift in habits we have been witnessing – such as the extraordinary growth in **online retailing** – to be structural rather than temporary. As the country's population continues to grow, so will I&L floorspace needs to support household consumption and other sectors of the economy. Statistics collected by the ONS from November 2006 show that the share of internet sales has consistently increased over time and it was at 19% before the onset of the Covid-19 pandemic. During the pandemic, due to lockdowns and restrictions this figure increased considerably and is around 30.2% as of November 2022.[19]

4.3.3. Most commentators agree that online retailing will continue to grow from a higher base than before the pandemic due to behavioural changes such as increased home working and continued demand for rapid parcel deliveries. Forrester Research, a respected source of online retail projections, estimate that online retail will continue to grow but from a higher base reaching 37% by 2025 (**Figure 4.5**). While we appreciate these are just future estimates many online retailers and commentors see online growth moving to 50% of total online sales as being inevitable. One such report, 'The Digital Tipping Point, 2019 Retail Report,'[20] estimated retail sales would reach 53% by 2028. While this timeframe appears far too ambitious, the question appears to be more of 'when' rather than 'if.'

**Figure 4.5 Internet Sales as a % of Retail Sales (2006-2025)**




*Source: ONS, Retail Sales Index Time Series, Forrester Research, Savills 2021*

4.3.4. The growth in online shopping has significant implications on future I&L demand given that e-commerce requires around 3 times the logistics space of traditional bricks-and-mortar retailers.[21] The link between this growth and warehouse demand is well exemplified by Error! Reference source not found.**Figure 4.6** below. A s the percentage of online sales reached a record high in 2021, so did the total value of new warehouse

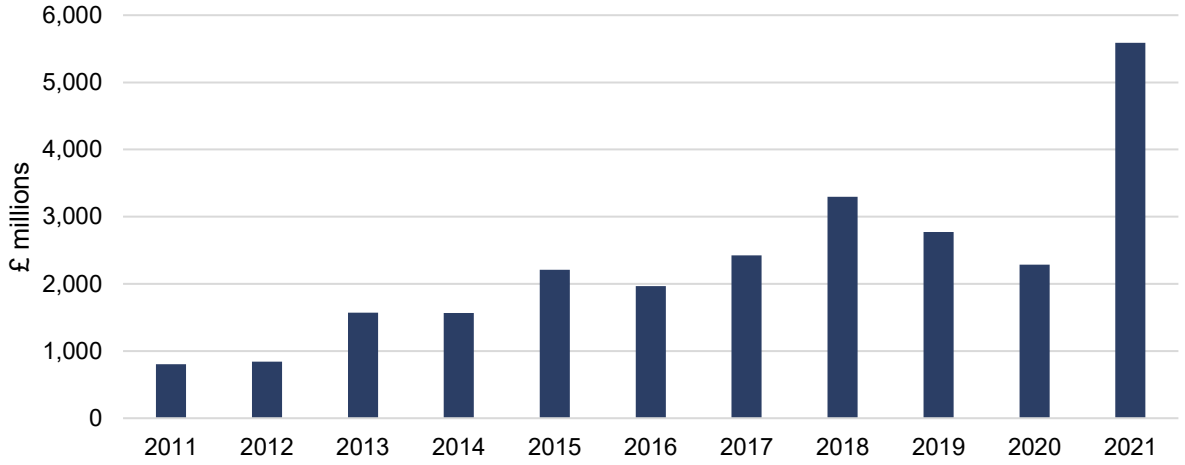
[19] ONS (2023), Internet sales as a percentage of total retail sales (ratio) (%)

[20] The Digital Tipping Point, 2019 Retail Report, Retail Economics and Womble Bond Dickinson

[21] Prologis (2016), Global E-Commerce Impact on Logistics Real Estate. Online Article: https://www.prologis.com/about/logistics-industry-research/global-e-commerce-impact-logistics-real-estate. Internet shopping relies on increased choice for the consumer and also increased delivery speeds to a location of people's choosing. This means that more inventory is required to be located nearer to the general population. This in turn has meant that more and more warehouse space is required.

projects. Yorkshire and the North East were at centre of this growth.[22] This data strongly aligns with the findings in the Big Shed Briefing discussed above that saw gross take-up for large sheds reaching an annual record in 2021 with Yorkshire and the North East playing a prominent role.

**Figure 4.6 Value of warehouse new orders for construction, GB (2011 – 2021)**




*Source: ONS and Barbour ABI — Construction Output and Employment; Savills*

4.3.5. Freight flows are another key driver of I&L floorspace demand. Significant growth is forecast across all **freight** modes **(Figure 4.7)**. Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a network of freight handling infrastructure (i.e. ports, airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers.

**Figure 4.7 Projected growth in freight by Mode**


*Source: DfT, MDS Transmodal, Boeing, Savills*

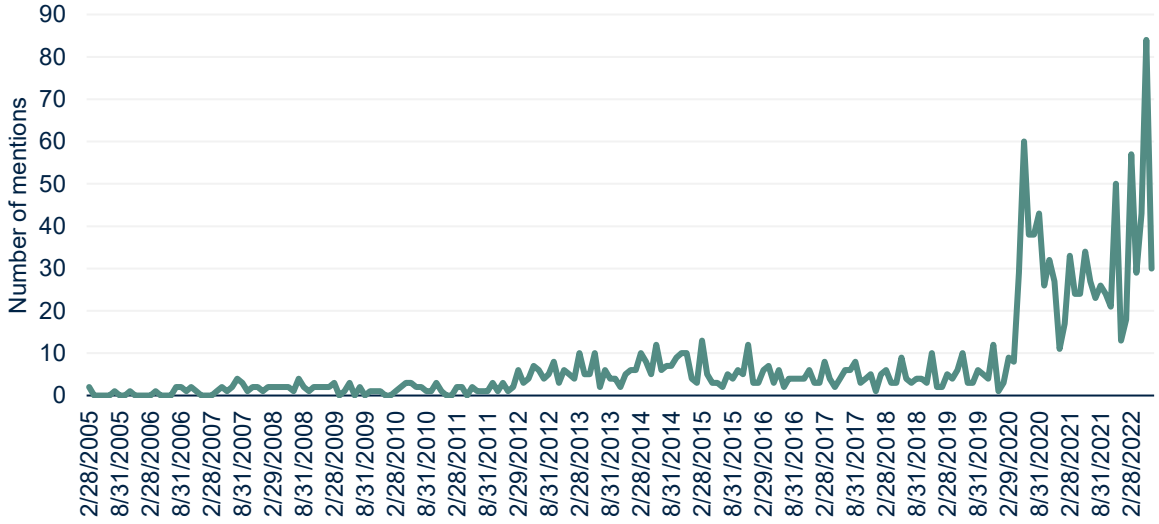
4.3.6. Brexit and Covid-19 have highlighted the level of interconnectedness of international supply chains and their fragility when one or more links break. Companies have started building up greater resilience in their operating models by moving operations either back to the UK (**re-shoring**) or closer by (**near-shoring**) as a means to minimise future supply-chain-induced disruptions.

4.3.7. According to a survey carried out in July 2020 by the Institute for Supply Management, 20% of firms were planning to, or have already started to, near-shore or re-shore. These findings are corroborated by a survey

[22] ONS (2022), *The rise of the UK warehouse and the "golden logistics triangle"* – online article available at: https://www.ons.gov.uk/businessindustryandtrade/business/activitysizeandlocation/articles/theriseoftheukwarehouseandthegoldenlogisticstriangle/2022-04-11

carried out by Savills[23] whereby over 80% of respondents expected the Covid pandemic to either 'greatly increase' or 'somewhat increase' on-shoring. Recent data from Sentieo, which analyses listed companies' annual reports, has found that mentions of the term 'near-shoring' have risen dramatically in 2022. Savills are starting to observe new occupier requirements directly related to this phenomenon and expect demand to rise as companies come to terms with running 'just in case' supply chains (leading to increased stock piling) rather than 'just in time'.[24]

**Figure 4.8 'Near-shoring' on the rise in company reports (2005-2022)**




*Source: Sentieo, an AlphaSense company*

| Near-shoring definition | Re-shoring definition |
|---|---|
| Transferring a business operation to a nearby country as opposed to a more distant one (i.e. off-shoring) | Moving a business that had gone overseas back to the country from which it had originally relocated |

4.3.8. **Figure 4.7** below provides a visual representation of some of the major growth drivers generating the record breaking demand in the I&L sector. While e-commerce and freight growth are two of the most influential, as discussed above, there are several others at play also.

[23] Savills (2020) The impact of Covid-19 on Real Estate. Online Article: https://www.savills.com/impacts/market-trends/the-impact-of-covid-19-on-real-estate.html

[24] https://www.savills.co.uk/research_articles/229130/330619-0?utm_source=ExactTarget&utm_medium=Email&utm_term=5335003&utm_content=8987518&utm_campaign=UK+Commercial+Market+in+Minutes+-+July+2022

**Figure 4.7 I&L Growth Drivers**


*Source: Savills*

## 4.4. The I&L sector is a major contributor to the national economy

4.4.1. The I&L sector is a significant employer of at least 3.8 million people in England and produces £232 billion of GVA annually.[25] Gross Value Added (GVA)[26] per job, currently at £58,000, is 12% higher than the average of all sectors. Its productivity is also predicted to grow at a faster pace, increasing by 29% between 2025 to 2039 compared to 18% across the UK economy as a whole.[27]

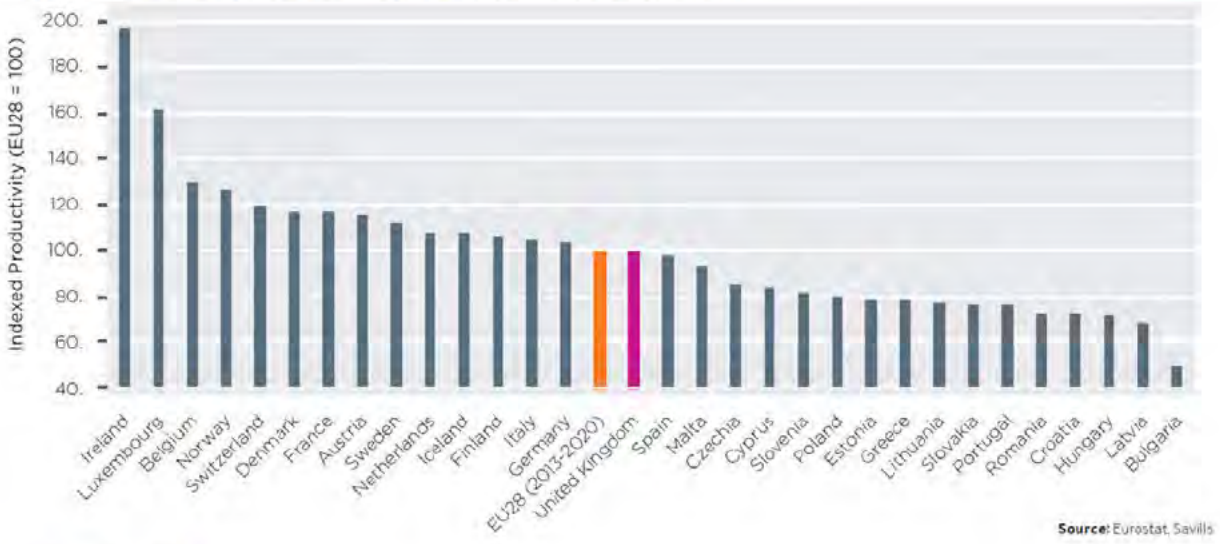
4.4.2. These are extremely important statistics given the UK's labour productivity currently lags many of its western European peers as shown in **Figure 4.8** below. Improving the UK's labour productivity will become increasingly important in a post Brexit world given its important bearing on attracting inward investment, ability to pay higher wages and higher tax revenues for the Government which can be reinvested in critical services and infrastructure.

[25] ONS (2021), Workforce Jobs by Region and Industry - Jobs in Manufacturing, Transportation and Storage for March 2020; ONS (2021) – England, Regional Gross Value Added (Balanced) by Industry – GVA for Manufacturing, Transportation and Storage in 2019 – England

[26] Gross Value Added (GVA) measures the contribution made to an economy by one individual producer, industry, sector or region.

[27] Oxford Economics (2019), GVA by Sector and Employment by Sector for Manufacturing, Transportation and Storage - UK

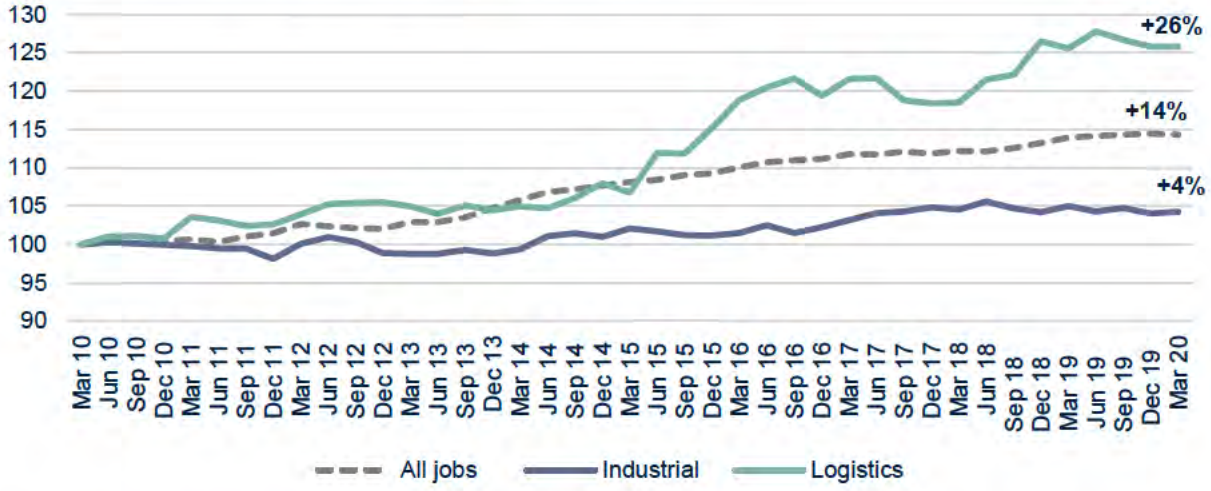
**Figure 4.8 Labour productivity per person employed - 2019**




*Source: Eurostat, Savills*

4.4.3. Over the last 10 years the logistics component of the I&L sector has grown by 26% compared to only 14% across the economy as a whole (**Figure 4.9**).

**Figure 4.9 Historic Jobs Growth in England (2010-2020)**




*Source: ONS, Workforce Jobs by Industry and Region, Savills*

4.4.4. Also in terms of business generation, the logistics sector is the fastest growing segment of our economy, both in recent years and over the long term. Between 2011 and 2021 the number of business premises[28] within the logistics sector went up by 88%, much higher than the 26% growth rate across the whole

[28] Business premises refer to local units on the Inter-Departmental Business Register (IDBR), which are individual sites that belong to an enterprise. Only a small minority of businesses operate more than one site (1.5% in transport and storage and 2.1% across all industries). (ONS, 2022)

economy (**Figure 4.10**). Growth in the logistics sector has continued to accelerate over the last couple of years, with the number of business premises increasing by 21% against just 1% across the whole economy.

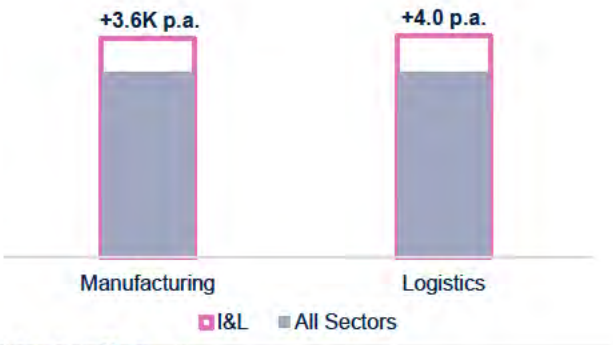
**Figure 4.10 Growth in business premises**


*Source: ONS, IDBR: Savills*

4.4.5. Notwithstanding its importance in terms of employment and GVA contribution, the sector is subject to a number of misconceptions about average pay levels, skills required and types of spaces provided.

4.4.6. As shown in **Figure 4.11** average pay is higher than the UK average. Data from the Office for National Statistics (ONS) show wages above average at +£3,600 for Manufacturing and +£4,000 for Logistics. The difference between average wages and the two sectors is even greater in the region. In Yorkshire and The Humber. The manufacturing sector wages that are +£4,600 and for logistics is +£4,800. Again, the logistics component of the sector is performing above average, with wages between 2019 and 2020 having increased more than in other sectors (+6% growth in logistics vs +4%) which is important in the current inflationary environment. In addition, entry-level jobs in logistics are relatively well-paid, with median annual pay being 47% higher than across jobs in the same occupational category[29].

**Figure 4.11 I&L jobs pay more (2022)**




*Source: ONS ASHE[30], Savills*

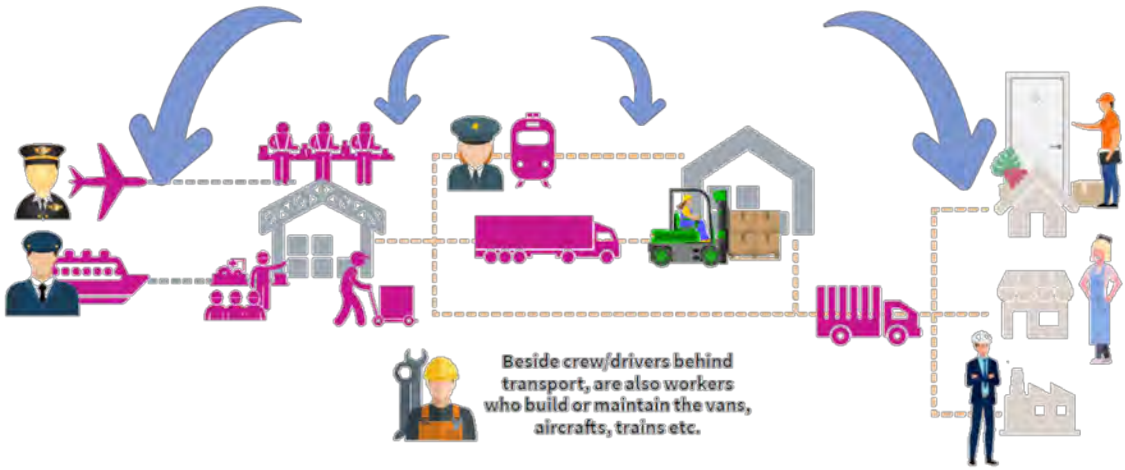
4.4.7. I&L's wider supply chain employment is often overlooked in favour of the higher on-site job densities for

[29] Frontier Economics (2022), *The impact of logistics sites in the UK*

[30] The ASHE survey for 2021 has been released but we do not report on these figure as we consider them influenced by the Covid-19 economic downturn – e.g. they show that between 2020 and 2021 all sectors employee wages decreased by 0.6%

retail and office uses. I&L premises are a critical link in the chain alongside the key freight modes that allow goods to enter, leave and move around the country (i.e. ports, airports, rail freight interchanges and motorways). Like warehouses and factories, these freight handling facilities generate employment to drive the planes, trains and boats as well as jobs involved in their maintenance and repair. Jobs are also created at ports, airports and rail freight interchanges as part of their operation. The analysis of ONS Type I FTE multipliers for the Warehousing sector suggests that **for every 10 new warehousing jobs created, another 7 to 12 jobs are created offsite across the wider supply chain**.

**Figure 4.12 The wide span of supply-chain jobs across the logistics sector**




*Source: Savills*

## 4.5. Levelling-up and the I&L Sector

4.5.1. As we discuss in our recent publication for the British Property Federation "*Levelling-up – The Logic of Logistics*"[31], the I&L sector can play a pivotal role as part of the Government's levelling up agenda. In GVA terms, the South[32] accounts for 63% of England's total GVA while the North[33] accounts for only 37%. However, over the last 5 years I&L demand (net absorption) in the North has accounted for 70% of the country's total demand.

4.5.2. Thanks to the I&L sector's higher productivity, wide-range of well paid jobs and training opportunities offered, its growth can help bridge the gap between the North and South. This point is further substantiated by a recent study that looked into the link between logistics density and growth in employment and GDP per capita. [34] The study found that areas with high logistics density have grown faster than other areas of the UK in both GDP per capita and overall employment.

4.5.3. One factor that makes the I&L sector especially well-suited to support levelling-up objectives is the wide-range of occupations offered and their increased diversification across various skill levels. **Figure 4.13** shows the change in the share of occupations in I&L in 2010 and 2019. While at the beginning of the decade

[31] Ibid.

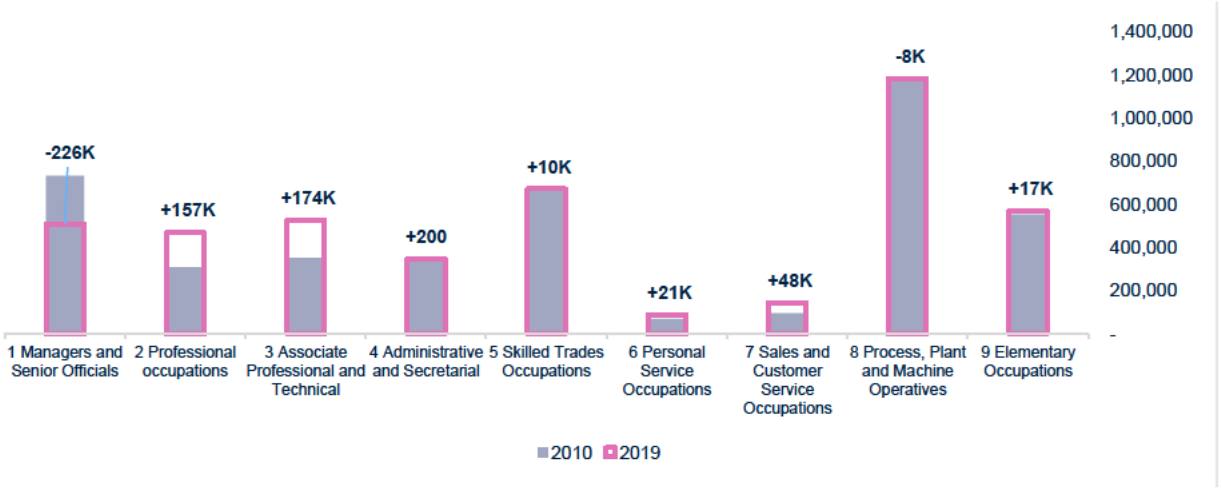
[32] London, South East, East of England and South West

[33] North West, West Midlands, East Midlands, Yorkshire and the Humber

[34] Frontier Economics (2022), *The impact of logistics sites in the UK*

we see a more polarised distribution, with a higher share of managers at one end of the spectrum and more routine occupations at the other end, today we see a higher share of Professional and Associate Professional and Technical roles. These roles are typically associated with higher-skilled engineering and technological professions in response to increased automation and robotics in the sector and more advanced supply chain processes. These office-based roles are increasingly co-locating alongside production and logistics uses as it is convenient for these people to be closer to the operations they control and analyse.

**Figure 4.13 Occupational Distribution in Manufacturing, Transport & Storage (2010 vs 2019)**




*Source: ONS APS, Savills*

4.5.4. This increased occupational diversity means the I&L sector can play an important role in re-employing people that have lost jobs in other sectors of the economy as a result of the Covid-19 pandemic.

**4.5.5.** The Government's Coronavirus Job Retention Scheme (CJRS) has helped cushion the impact of economic contraction on the job market. However, in spite of this effort, data on the claimant counts remain high in most areas of the country. The claimant count measures the number of people claiming benefit principally for the reason of being unemployed. As of November 2022 the count in Sheffield totalled about 15,000 claimants. Whilst this is a reduction on the figures during the covid-19 pandemic, it is well above pre-pandemic levels.

4.5.6. The I&L sector also generates significant construction and apprenticeship roles which will increase further as it expands into the future. Savills estimate that if supply-constraints are addressed in the future, the sector could deliver over half a million apprenticeships over the next 10 years.[35] This is extremely important given youth unemployment in the region stands at 10.0%.[36] This is about the same as the national youth unemployment rate. A number of case studies on the type of employment opportunities, training and research centres that the sector delivers can be found in our recent publication for the British Property

[35] Savills and BPF (2022), Levelling-up – The Logic of Logistics

[36] ONS (2023), Annual Population Survey – unemployment rate of people aged 16 to 24 in England (October 2021 to September 2022)

Federation "*Levelling-up – The Logic of Logistics*"[37].

4.5.7. I&L premises facilitate modern lives and therefore should be considered as 'Critical National Infrastructure,' similar to how major roads, ports, airports and rail freight interchanges are. The sector makes a significant contribution to the national economy and supports a diverse range of well paid jobs.

4.5.8. Current demand within the sector is at unprecedented levels being supported by a number of key growth drivers. There is a strong need to support and foster economic growth in order to support the post-Covid recovery and to secure UK's post Brexit future. It is vital to support those sectors which are proving to be resilient (such as logistics) and are therefore well-placed to provide new employment opportunities to mitigate job losses in other sectors and underpin the economic recovery.

[37] Ibid.

# 5. Policy & Evidence Base Review

## 5.1. Introduction & Summary

5.1.1. This section reviews relevant policies and evidence base documents that support Sheffield's Draft Local Plan. The Council's evidence base and its identified employment land need and supply of sites has changed considerably over time and lacks transparency. For instance the Council's estimated employment land supply from extant planning applications has not been made available which makes the Council's supply figures unclear .

5.1.2. **Table 5.1** on the next page sets out Savills' understanding of the Council's employment land supply and identified need based on a range of sources. It highlights a lack of consistency on its supply and demand figures for both overall employment land and for I&L land specifically. Further evidence on the supply of land from extant planning permissions and more certainty around the land designated for General Employment and the extent to which it could meaningfully contribute to logistics uses would go some way towards helping to calibrate the various and inconsistent demand and supply figures.

5.1.3. **Table 5.1** shows that regardless of which figures are used there is a shortage of employment land. This shortfall is particularly acute for I&L uses and large B8 units (over 100,000 sqft) in particular.

5.1.4. One of the more confounding elements of the Council's evidence is that the its overall supply figure of employment which is set out in the Draft Local Plan is about 171 hectares. And yet Draft Policy SP1: Overall Growth Plan states that about 13 hectares of employment land will be delivered per annum over the plan which is equivalent to 219.3 hectares. It is essential that the Council reconcile this contradiction. It is inappropriate for the Council to simply assume that this 48.3 hectare shortfall will be met by other local authorities or by existing employment land being redeveloped.

5.1.5. **Section 8** presents Savills' own estimate of need which shows that the deficit is significantly greater than what is shown below.

**Table 5.1 Summary Table of Council's Evidence Base of Supply and Demand for Employment Land**

| Employment Land Sector | Supply (ha) | | | Demand (ha) | | | Surplus / Deficit |
|---|---|---|---|---|---|---|---|
| | Proposed Allocations | Extant Planning Permissions | Total Supply | Local | Large I&L Units | Total | |
| All Employment Land | 149.12***** | 41**** | 171***** | 195.5**** | 86.7*** | 282.2 | -111.2 |
| All I&L Land | 88.15* to 146.31 | unknown | unknown | 146.6**** | 86.7*** | 233.3 | -145.15 to -86.99 |
| All I&L Land for Large Units (greater than 100,000 sqft)** | 68.98** to 120.82 | unknown | 84.2*** | n.a. | 86.7*** | n.a. | -2.5 |
| All I&L Land for Large B8 Units (greater than 100,000 sqft) | 22.3*** | n.a. | 22.3*** | n.a. | 62.6*** | n.a. | -40.3 |

** Excludes 58.16ha of General Employment which is designated for some B8 uses (but not B2) as well as a range of other uses. If added to the Industrial Land then total proposed allocations are 146.31ha.However only a proportion of the figure will be available for I&L premises. (The second figure in the cell includes the General Employment sites.)*

*** Comprises all industrial allocations greater than 2.3ha which is the minimum size required to accommodate a unit of 100,000 sqft. It excludes 50.84ha of General Employment which is designated for some B8 use (but not B2 ). (The second figure in the cell includes the General Employment sites.)*

**** Identified in the Logistics Study*

***** Council report from 3 November 2022*

****** Draft Local Plan December 2022*

## 5.2. Planning Policy Documents and Policies Covering Employment Land

***Sheffield Plan: Our City, Our Future Publication (Pre-Submission) Draft (October 2022) ('Draft Local Plan')***

5.2.1. This previous version of the Draft Local Plan sets out the strategy for growth through to 2039. It is assumed that the plan would be adopted in December 2024.

5.2.2. The document states in paragraph 3.14 that existing planning permissions and proposed site allocations provide over 160 hectares of employment land. It says that other sites are also expected to come forward which will enable the Council's employment needs to be met up to 2039. It is expected that through the 'churn' of economic land within the city and flexibility across the city region, demand can be met through the plan period.

5.2.3. **Draft Policy SP1: Overall Growth Plan** states that 11.5 hectares of employment land will be delivered per

year of which 8.6 hectares will be for industrial development. The document makes no mention of what this figure is based on and does not provide a total quantum of employment land need. These figures were later superseded by subsequent evidence and policies.

5.2.4. The document provided information on the proposed site allocations which have also been superseded by a more recent version of the Draft Local Plan discussed below.

***SCC Report to Policy Committee Regarding Endorsement of 'The Draft Sheffield Plan' (3 November 2022)***

5.2.5. This report presented the Draft Local Plan from October 2022 to SCC committees and stated that it would meet the need for 11.5 hectares of employment land per year. For I&L, the figure would be 8.6 hectares per annum or about 75% of the total. **It sets out the total employment land requirement over the 17-year period from 2022 to 2039 of 195.5 hectares. Based on the 75% apportionment, I&L land needs equates to 146.6 hectares from 2022 to 2039.**

5.2.6. The report says that the Draft Plan provided 160.81 ha of land for employment including 41 hectares that has planning permission. It says that the supply provides almost 14 years supply which is enough to meet needs to 2036. It also states that there is an expectation that other land will be brought forward.

***SCC Report to Council Regarding Approval of 'The Draft Sheffield Plan' (14 December 2022)***

5.2.7. The report reduces the Council's overall supply of employment land from 160.81 hectares (as set out in the SCC Report to Policy Committee (3 November 2022)) to 154 hectares. It also states that another adjustment to the supply data is needed following further checking but no further information is provided. It is unclear how the mix of employment land has changed between existing planning permissions, proposed allocations and the employment uses that the different sites and permissions could accommodate.

5.2.8. As a result of the reduction in supply, the report recommends that the employment land need figure in the Draft Sheffield Plan be increased from 11.5 hectares to 12.8 hectares per year between 2022 and 2039. The additional 1.3 hectares per year is for meeting the need for large scale strategic warehousing (units over 100,000 sq.ft). This required a change to draft Policy SP1.

5.2.9. The report states that the employment land need of 11.5 hectares per annum would be sufficient to support the jobs growth target in the Sheffield City Region Strategic Economic Plan. However, the Logistics Study recommends providing an additional 62.6 hectares (3.7 hectares) per year to cater for large scale warehousing. In spite of the recommendation in the Logistics Study, the report states that it is not possible to accommodate all of this need due to topography and the need to protect the Green Belt.

5.2.10. The Logistics Study identifies sites comprising over 84 hectares of land for large scale warehousing but many of them are in the Advanced Manufacturing Innovation District (AMID). Since the report says that the AMID will provide higher skilled jobs compared to the warehousing, the use of the land for large scale warehousing will be resisted and that the needs will have to be met elsewhere in the SCR. The report concludes that supply is around 22.3 hectares which is equivalent to the 1.3 hectares per annum between 2022 and 2039 if the potential warehousing sites in the AMID are removed.

5.2.11. The Logistics Study says that there is sufficient supply of land for larger scale warehousing in the wider SCR property market although the study notes the strong demand for logistics sites in Sheffield.

5.2.12. The report makes amendments to the list of proposed allocations for I&L premises in the Draft Sheffield Plan from October 2022.

***Sheffield Plan: Our City, Our Future Publication (Pre-Submission) Draft (December 2022) ('Draft Local Plan')***

5.2.13. This document is Draft Local Plan and supersedes the October 2022 version presented above.

5.2.14. The document states in paragraph 3.14 that existing planning permissions and proposed site allocations provide over 171 hectares of employment land, a further adjustment from 14 December 2022 SCC Report discussed above. It says that other sites are also expected to come forward which will enable the Council's employment needs to be met up to 2039. It is expected that through the 'churn' of economic land within the city and flexibility across the city region, demand can be met through the plan period, again without any supporting evidence.

5.2.15. Paragraph 3.17 states that land for industry will be located in four sub areas: Northwest Sheffield, Northeast Sheffield, East Sheffield and Southeast Sheffield.

5.2.16. **Draft Policy SP1: Overall Growth Plan** states that 12.9 hectares of employment land will be delivered per year of which 10 hectares will be for industrial development. The document makes no mention of what this figure is based on and does not provide a total quantum of employment land need but based on the per annum figures should equate to about 219 ha of total employment land and 170 ha of I&L over the 17-year Plan period to 2039. We note that the Council's identified supply does not meet this requirement even though it is stated that this land will be delivered within Sheffield.

5.2.17. **Table 5.2** sets out all the site allocations categorised as either Industrial or General Employment that could accommodate I&L within the Draft Local Plan. The first part of the table presents the proposed industrial land allocations; the second part presents the General Employment sties. (The sites for General Employment can only accommodate B8 uses along with other uses that are not I&L.)

**Table 5.2 Employment Land Allocations in the Draft Local Plan that Could Accommodate I&L**

| Sub-Area | Site Allocation Reference | Site Address | Site Area (Ha) |
|---|---|---|---|
| ***Industrial Sites*** | | | |
| Northwest Sheffield | NWS02 | Land at Wallace Road, S3 9SR | 4.04 |
| Northwest Sheffield | NWS04 | Allotments to the south of Wardsend Road North, S6 1LX | 2.35 |
| Northwest Sheffield | NWS05 | Land to the northwest of Wardsend Road, S6 1RQ | 0.74 |
| Northwest Sheffield | NWS06 | Land at Wardsend Road, S6 1RQ | 0.64 |
| Northeast Sheffield | NES03 | Land to the west of Blackburn Road, S61 2DW | 11.12 |
| Northeast Sheffield | NES04 | Gas Works, Newman Road, S9 1BT | 3.91 |

| Sub-Area | Site Allocation Reference | Site Address | Site Area (Ha) |
|---|---|---|---|
| Northeast Sheffield | NES05 | Land between Grange Mill Lane and Ecclesfield Road, S9 1HW | 2.01 |
| Northeast Sheffield | NES06 | Land to the north of Loicher Lane, S35 9XN | 1.42 |
| Northeast Sheffield | NES07 | Upwell Street/Colliery Road (North) | 1.27 |
| Northeast Sheffield | NES08 | Land adjacent to Yarra Park Industrial Estate and Station Road, S35 9YR | 0.48 |
| East Sheffield | ES05 | Pic Toys, land to the north of Darnall Road, S9 5AH | 1.05 |
| East Sheffield | ES06 | Outokumpu, Shepcote Lane | 19.53 |
| East Sheffield | ES07 | Land at Europa Way, S9 1TQ | 3.38 |
| East Sheffield | ES08 | Land adjacent to Veolia Sheffield, Lumley Street, S9 3JB | 3.26 |
| East Sheffield | ES09 | 710 Brightside Lane, S9 2UB | 2.14 |
| East Sheffield | ES10 | Land to the north of Europa Link, S9 1TN | 1.6 |
| East Sheffield | ES11 | Land at Shepcote Lane, S9 5DE | 1.52 |
| East Sheffield | ES12 | Airflow Site, Land at Beeley Wood Lane, S6 1QT | 1.36 |
| East Sheffield | ES13 | Land at Lumley Street, S4 7ZJ | 1.1 |
| East Sheffield | ES14 | Rear of Davy McKee, Land to the east of Prince of Wales Road, S9 4BT | 0.89 |
| East Sheffield | ES15 | Land to the northeast of Barleywood Road, S9 5FJ | 0.89 |
| East Sheffield | ES16 | Former Dr John Worrall School, Land at Brompton Road, S9 2PF | 0.68 |
| East Sheffield | ES17 | Land at Ripon Street, S9 3LX | 0.65 |
| East Sheffield | ES18 | Land at Catley Road, S9 5NF | 0.55 |
| East Sheffield | ES19 | Land adjacent to 58-64 Broad Oaks, S9 3HJ | 0.45 |
| Southeast Sheffield | SES03 | Land to the east of Eckington Way, S20 1XE | 6.85 |
| Southeast Sheffield | SES04 | Mosborough Wood Business Park, Land to the north of Station Road, S20 3GR | 9.41 |
| Southeast Sheffield | SES05 | Land to the east of New Street, S20 3GH | 3.75 |
| Southeast Sheffield | SES06 | Warehouse and land adjacent, Meadowbrook Park, S20 3PJ | 0.57 |

| Sub-Area | Site Allocation Reference | Site Address | Site Area (Ha) |
|---|---|---|---|
| Southeast Sheffield | SES07 | Land at New Street and Longacre Way, S20 3FS | 0.54 |
| **Total Industrial Sites** | | | **88.15** |
| ***General Employment Sites*** | | | |
| Kelham Island, Neepsend | KN01 | Land at Parkwood Road, S3 8AB | 1.5 |
| Kelham Island, Neepsend | KN02 | 147-154 Harvest Lane, S3 8EF | 0.06 |
| Castlegate, etc. | CW01 | Castlegate (Exchange Place) | 0.12 |
| St Vincent's, etc. | SU01 | 178 West Street, Sheffield, S1 4ET | 0.05 |
| Northwest Sheffield | NWS01 | Land and buildings at Penistone Road North, S6 1QW | 4.58 |
| Northwest Sheffield | NWS03 | Land at Beeley Wood Lane, S6 1QT | 2.62 |
| Northwest Sheffield | NWS07 | Land adjacent to Elsworth House, Herries | 0.42 |
| Northeast Sheffield | NES01 | Smithywood, Cowley Hill, Chapeltown | 13.32 |
| Northeast Sheffield | NES02 | Land adjacent to Chapeltown Academy, Nether Lane, S35 9ZX | 0.67 |
| East Sheffield | ES01 | Land to the south of Meadowhall Way, S9 2FU | 17.1 |
| East Sheffield | ES02 | Alsing Road Car Park and Meadowhall Interchange, S9 1EA | 9.98 |
| East Sheffield | ES03 | M1 Distribution Centre and The Source, Vulcan Road, S9 1EW | 3.24 |
| East Sheffield | ES04 | Land at Sheffield Road, S9 2YL | 1.22 |
| Southeast Sheffield | SES01 | Land at Orgreave Place, S13 9LU | 1.29 |
| Southeast Sheffield | SES02 | Land adjacent to the River Rother, Rotherham Road, S20 1AH | 1.1 |
| Stocksbridge/Deepcar | SD01 | Ernest Thorpe's Lorry Park, land adjacent to the River Don, Station Road, S36 2UZ | 0.89 |
| **Total General Employment Sites** | | | **58.16** |
| **Total Employment Sites That Could Accommodate I&L** | | | **146.31** |

*Source: Sheffield Plan: Our City, Our Future Publication (Pre-Submission) Draft (2022)*

## 5.3. Employment Land Evidence

***Sheffield Employment Land Review (March 2020) ('ELR')***

5.3.1. The ELR is the most important evidence used to support the employment land policies in the draft Local Plan. It provides forecasts of employment land need between 2018 and 2036.

5.3.2. Paragraph 3.51 concludes that Sheffield and Rotherham should be viewed as comprising of a single Functional Economic Market Area (FEMA).

5.3.3. Paragraph 4.8 notes that gross annual completions of employment land since 1989 has averaged 11.53 hectares per annum. However since 2010 the completion rate land has been about 5.59 hectares per annum. The report does not specifically state the reason for the drop in the delivery rate but infers at multiple points that there is a lack of supply. Savills agrees with this position as it's a market reality that demand is strong, but cannot be accommodated because of the lack of available supply. We discuss this imbalance between demand and supply in Sheffield and the wider SCR is **Section 6**.

5.3.4. Paragraph 5.19 says that the I&L market has performed well in recent years due to a lack of speculative development, particularly for mid-sized and large occupiers.

5.3.5. Paragraph 5.21 says there is a limited supply of suitable I&L sites along the M1 corridor between junctions 33 and 34 and there is a need for additional sites close to the motorway.

5.3.6. Paragraph 5.26 states that many Sheffield companies relocated to other authority areas such as Rotherham, Barnsley or Doncaster in the search for cheaper space. It is therefore important for Sheffield to maintain an appropriate mix of sites to attract higher-end occupiers and also retain core indigenous employment.

5.3.7. In paragraph 5.37, an assessment by Knight Frank identified that demand for larger I&L units will continue to grow and that the Council may wish to look for large sites with good motorway access such as at junction 35 of the M1. It said that the Council will need to consider whether Sheffield is in a position to offer these types of sites or whether demand would need to be met elsewhere in the SCR.

5.3.8. The ELR assessed 81 potential sites for future employment use that were categorised based on criteria covering sustainability, market attractiveness and policy adherence. The exercise identifies about 144.58 hectares (net) of land across 71 sites that are available for future employment premises. Paragraph 6.25 said that the industrial sites could accommodate 'a combination of industrial (B1c/B2) and low-grade warehousing'. This suggests that no land has been made available for higher grade warehousing. The report provides no figure for the amount of land across the 71 sites that could accommodate I&L uses. Our own assessment of supply is set out in **Section 7** of this report.

5.3.9. The ELR forecasts future employment land requirements based on three methodologies: Labour demand, labour supply and past completions. The ELR states that the three approaches all have limitations.

5.3.10. The **labour demand methodology** is based on employment forecasts across different industrial sectors. The ELR presents four different scenarios that reflect different employment forecasts. In each case, an employment density figure is applied to the forecasted net change in employment to calculate the employment floorspace required. This is then translated into employment land. Paragraph 7.27 explains

that an adjustment is made to the figures to reflect vacancy rates that are below normal conditions of around 8-10%.

5.3.11. The **labour supply methodology** uses the new workers generated by anticipated new housing to estimate the demand for employment floorspace and land. It uses a similar approach to the labour demand in that it relies on employment forecasts to estimate the need for employment floorspace.

5.3.12. Paragraph 7.59 shows that in both the labour demand and labour supply methodologies, the ELR uses a plot ratio of 40% to translate employment floorspace needs in to employment land requirements.

5.3.13. The **past development rate methodology** uses past development patterns as the basis for forecasting future delivery. This methodology uses two scenarios which are based on different historic timeframes: 1989-2019 and 2010-2019.

5.3.14. Across all three methodologies adjustments are made to convert net to gross floorspace requirements. To do this, an allowance is made for the replacement of lost existing employment space. It is assumed that 66% of future lost employment floorspace will need to be replaced. This is equivalent to about 4.1 hectares per annum. The ELR also provides a safety margin that is equivalent to five years of net take-up.

**5.3.15.** **Table 5.3** sets out the range of gross employment land requirements based on the three methodologies and seven scenarios. The figures include adjustments for anticipated lost employment land and the safety margin.

**Table 5.3 Gross I&L Employment Land Scenarios (2018-2036)**

| | B1c / B2 | B8 | Total I&L | Total I&L Per Annum | Total Employment Land | Total Employment Land Per Annum |
|---|---|---|---|---|---|---|
| Labour Demand – Scenario 1 | 23.11 | 86.41 | 109.52 | 6.08 | 141.16 | 7.84 |
| Labour Demand – Scenario 2 | 101.02 | 81.72 | 182.74 | 10.15 | 229.01 | 12.72 |
| Labour Demand – Scenario 3 | 86.09 | 99.94 | 186.03 | 10.34 | 248.19 | 13.79 |
| Labour Demand – Scenario 4 | 28.67 | 89.56 | 118.23 | 6.57 | 150.20 | 8.34 |
| Labour Supply | 38.89 | 123.72 | 162.61 | 9.03 | 201.81 | 11.21 |
| Past Development Rates – Scenario 1 | 128.23 | 55.26 | 183.49 | 10.19 | 198.02 | 11.00 |
| Past Development Rates – Scenario 2 | 67.63 | 57.49 | 125.12 | 6.95 | 157.93 | 8.77 |
| **Average** | **67.66** | **84.87** | **152.53** | **8.47** | **189.47** | **10.52** |

*Source: Sheffield Employment Land Review (2020)*

5.3.16. Paragraph 7.102 says that about 75% of the total employment land should be for industrial use (B1c, B2 and B8). It identifies a total employment land requirement of between 141 and 248 hectares between 2018 and 2036. It recommends that a gross figure of around 200 hectares to meet its employment needs is

appropriate. If the 75% is applied to the total gross figure, then the employment need for I&L employment land is about 150 hectares.

5.3.17. The final chapter of the ELR compares demand and supply. The ELR identifies a shortfall of about 55 hectares of overall employment land. This is set out in **Table 5.4**.

**Table 5.4 Demand / Supply of Employment Space**

| | Demand Supply Balance |
|---|---|
| Requirement for B Class Space (ha) | 200 ha |
| Estimated Supply of Employment Space (net) ha | 145 ha |
| **Shortfall** | **-55 ha** |

*Source: Sheffield Employment Land Review (2020)*

***5.3.18.*** The report recommends that the Council identifies and allocates additional sites for employment use in order to meet the shortfall.

***Savills Review of the Sheffield Employment Land Review (March 2020) -***

Methodologies used underestimate market demand

5.3.19. Below we outline what we consider to be some of the key weaknesses of the demand methodologies used in the ELR.

5.3.20. The **labour demand methodology** is not appropriate for the estimation of future I&L land demand, as employment forecasts typically reflect the continued restructuring of the economy away from industry towards services, which underestimate the I&L sector's employment generation. Further, changes to the I&L market mean that growth in floorspace/land is not accurately predicted by changes in jobs. The I&L sector does not comprise low-skilled and low-paid jobs, nor do I&L companies functions' neatly fit into Industrial or Logistics.

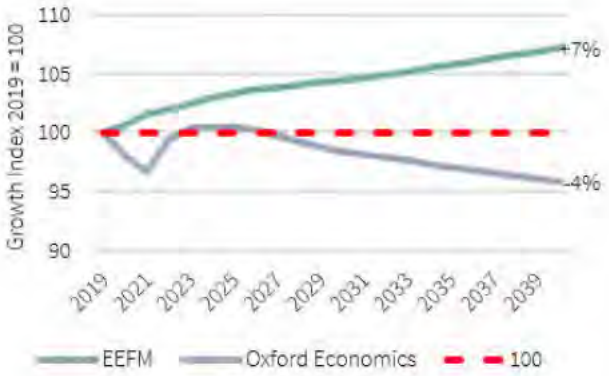
5.3.21. A key trend in the I&L sector is that companies are increasingly co-locating office, R&D, customer services/sales and other administrative functions within their I&L premises. Such co-located employment is not reflected in the labour demand models as the assume I&L activities are entirely accommodated within a narrow set of Standard Industrial Classification ('SIC') codes.

5.3.22. The underestimate of future demand from the labour demand methodology is apparent when historic job growth in the industrial sector are compared with future job projections from macroeconomic forecasts from models such as the East of England Forecasting Model ('EEFM'), Experian and Oxford Economics. With reference to **Figure 5.1**, logistics jobs have grown by 23% nationally over ten years. However, labour forecasting products including Experian and Oxford Economics predict much lower levels of growth, including negative growth, over the next 20 years (**Figure 5.2**). This does not reflect reality on the ground given that logistics is performing strongly with recent demand nationally for floorspace being 86% above

the long term trend.[38]

**Figure 5.1 Historic Growth in Logistics Jobs, England**


**Figure 5.2 Projected Growth in Logistics Jobs, England**




*Source: Savills (2023); LFS; EEFM; Oxford Economics*

5.3.23. The **labour supply method** is flawed because housing growth at the local level has a limited relationship to I&L markets which have a more regional demand profile, which leads to an underestimation of future demand. In other words, this method is effectively saying that I&L demand is solely linked to the new incoming residents, which is not the case. I&L demand is also linked to the growth in freight movements, business to business relationships, companies reshoring back to the UK to avoid supply chain shocks, increasing stockpiling requirements and the fact existing households too are increasingly spending more online.

5.3.24. Finally, the **past development rates** method also underestimates true market demand for I&L land and floorspace. Savills does not consider that past development rates is an indicator of demand, but rather as a supply measure. The leading demand measure of floorspace is "net absorption" which indicates the quantum of net floorspace occupied over a period of time (i.e. move-ins minus move-outs) based on leasing deals. Increases in the level of stock arising from new development is a supply measure (rather than a demand measure) which calculates new floorspace delivered. While new floorspace can be delivered on existing sites through redevelopment and intensification, it mainly depends on new employment sites being made available (allocated) for development via the planning system. For this reason, net absorption is a more accurate reflection of demand than net historic deliveries.

5.3.25. It is not uncommon for market demand (net absorption / leasing deals) to be higher than supply based measures (net take-up / net change in stock) given the complexities and length of time it can take to allocate employment land through the Local Plan process, achieve planning permission and then build new employment premises. As we discuss in **Section 6,** net absorption (demand) has been higher than supply (net deliveries) in Sheffield historically. The same is true of the wider SCR indicating a supply constrained market.

[38] https://www.savills.co.uk/research_articles/229130/330469-0

'Suppressed Demand' Not Accounted For

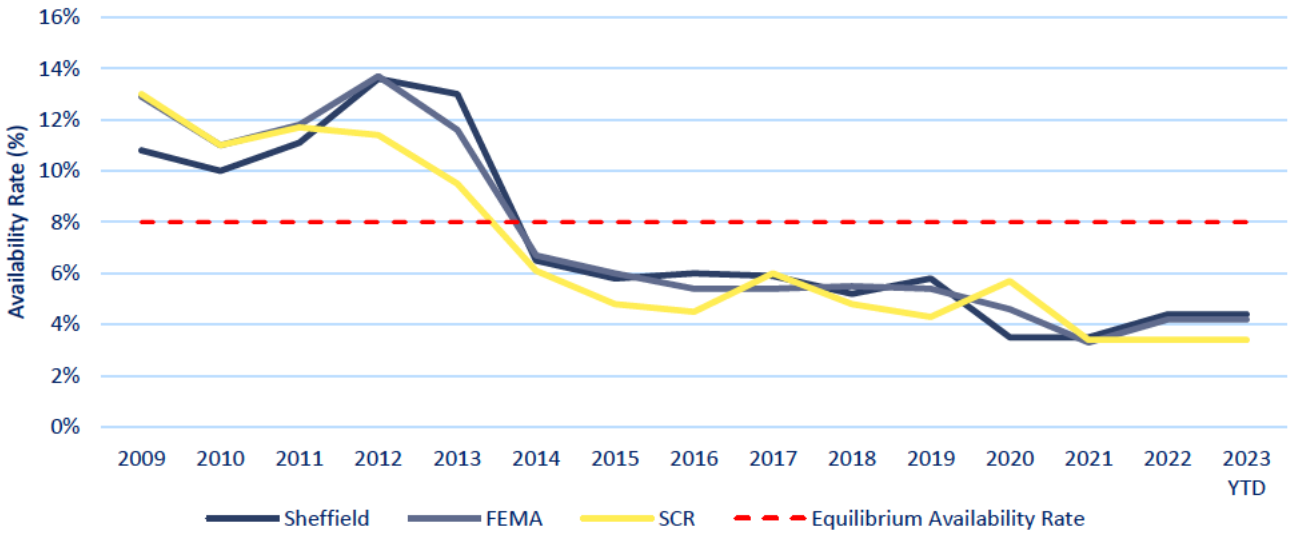
5.3.26. When supply, as signalled by floorspace availability, is low, demand is 'suppressed' as prospective tenants can't find space in a market. 8% is typically referred to as the equilibrium level at a national level across the entire sector when supply and demand are broadly in balance (as sourced in publications such as the GLA's Land for Industry and Transport SPG (2012). (Savills have found that for the part of the market for larger units, the equilibrium rate can be lower.) Below the equilibrium level available supply becomes tight and real rents increase as strong occupier demand compete for limited available stock.

5.3.27. The ELR also references the concept of a market equilibrium but uses vacancy rates instead of availability. Paragraph 7.27 covers the 'idealised' or 'normal' vacancy rate of around 8% to 10% as the level at which a market is able to function smoothly and allow for market churn. The ELR also notes that Sheffield's employment market is tight and well below the normal rate. It makes a one-off adjustment to account for the market returning to a 10% vacancy rate.

5.3.28. However, as shown in **Figure 5.3** and then further discussed in **Section 6**, over the past decade the availability rates in Sheffield, its FEMA and SCR have been below both Savills 8% availability equilibrium threshold and the ELR 8-10% vacancy rate since 2014. This indicates that the markets have been supply constrained for most of the past decade with not enough available supply for the markets to operate efficiently. A one off adjustment, as applied in the ELR, is insufficient in correcting nearly a decade of undersupply.

5.3.29. A confirming factor of this conclusion is that rental growth has outpaced inflation by a significant margin (again discussed in **Section 6**). Such strong rental growth is a by-product of strong occupier demand competing with one another for limited available stock. This competition pushes up rents. By only providing a top up for the current year, the ELR is only addressing suppressed demand for one year and not correcting the historic trend.

**Figure 5.3 Availability in Sheffield and Wider PMAs Since 2009**




*Source: Savills, CoStar (2023)*

5.3.30. Savills have developed a methodology that estimates a market's suppressed demand when supply is below the equilibrium rate (i.e. when supply and demand are in balance). We add this to historic demand projections to give a more realistic picture of future demand. We address this in **Section 8** of this report.

**Current and Future Growth Drivers Not Accounted For**

5.3.31. The ELR also ignores key current and future growth drivers driving record levels of demand within the I&L sector in particular. The main ones, discussed below, include the growth in online retailing; housing growth; Covid-19 & Brexit; and the growth in UK freight volumes.

5.3.32. **Growth in online retailing:** The exponential growth in online retail is probably the most quantifiable of the major changes driving growth in the I&L sector. Statistics collected by the ONS show that the share of internet sales has consistently increased over time from 2.5% in November 2006 to 19% before the onset of the Covid pandemic.[39] During the pandemic, due to lockdowns and restrictions this figure increased considerably. However, since the reopening of the economy online retailing has remained at a higher level at around 30% as of November 2022.[40] The growth in online shopping has significant implications on future I&L demand given that e-commerce requires around 3 times the logistics space of traditional bricks-and-mortar retailers.[41]

5.3.33. Most commentators agree that online retailing will continue to grow from a higher base than before the pandemic due to behavioural changes such as increased home working and continued demand for rapid parcel deliveries. Forrester Research, a respected source of future online retail projections, estimate that online retail will reach 37% of all retail sales by 2025[42] (**Figure 5.4**). While we appreciate these are just future estimates many online retailers and commentors see online growth moving to 50% of total online sales as being inevitable. One such report, 'The Digital Tipping Point, 2019 Retail Report,' estimated retail sales would reach 53% by 2028. While this timeframe appears too ambitious, the question appears to be more of 'when' rather than 'if.'

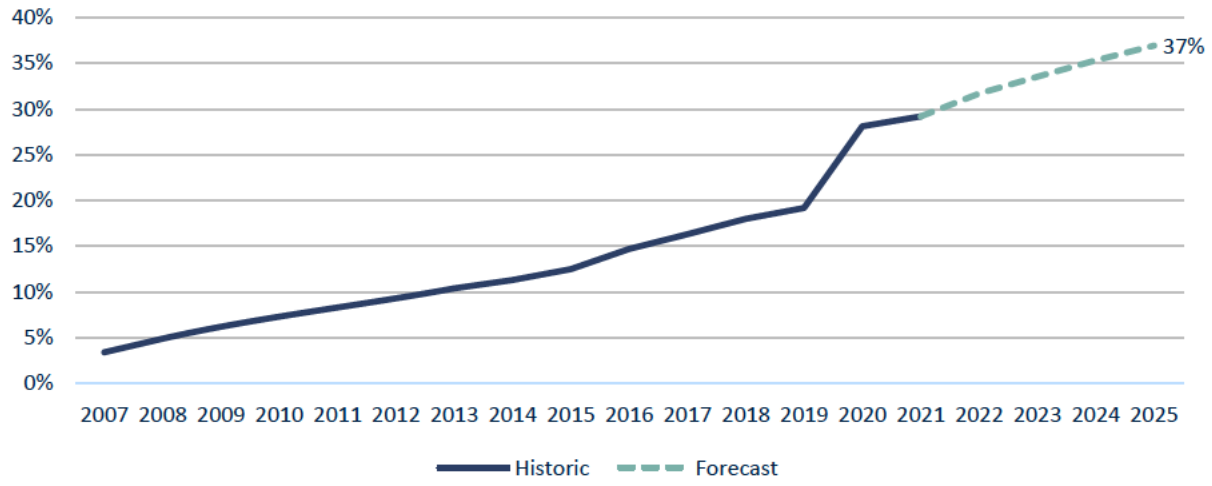
[39] ONS (2022), Internet sales as a percentage of total retail sales (ratio) (%)

[40] Ibid

[41] Prologis (2016), Global E-Commerce Impact on Logistics Real Estate. Online Article: https://www.prologis.com/about/logistics-industry-research/global-e-commerce-impact-logistics-real-estate

[42] Forrester Research (2021) Online Retail Sales by Country, 2002-2025

**Figure 5.4 Internet Sales as a % of Retail Sales (2006-2025)**



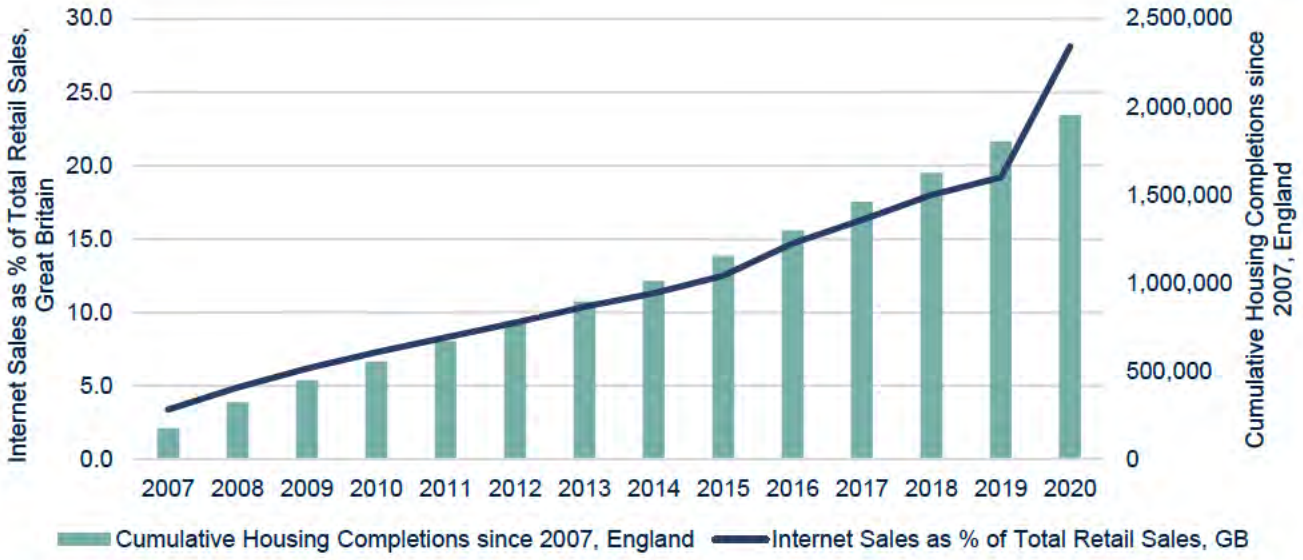

*Source: ONS, Retail Sales Index Time Series, Forrester Research, Savills (2023)*

5.3.34. **Housing growth**: The growth in online retailing is both a function of the UK's increasing housing supply, and the fact each individual house on average is spending more online. As shown in **Figure 5.5**, housing growth at the national level has broadly tracked the growth in online retailing before the onset of the Covid-19 Pandemic, during which time online retailing has spiked even higher.

5.3.35. The Sheffield population is expected to continue to grow too, with an expected increase of about 24,000 people by 2039.[43] Online retailing relies on increased choice for the consumer and also increased delivery speeds to a location of people's choosing. This means that more inventory is required to be located nearer to the general population which has been increasing. This in turn has meant that more and more warehouse space is required both by online retailers but also traditional bricks and mortar retailers who are adapting their supply chains to compete. Again this modern day trend will not have been accounted for in the Council's employment evidence which relies on job projections and past change in stock.

**Figure 5.5 Internet Sales as a % of all Retail Sales and Dwelling Completions since 2007**

[43] ONS, population projections at local authority level (2021 to 2040)




*Source: ONS, MHCLG, Savills (2022)*

5.3.36. **Covid-19 & Brexit:** The Covid-19 pandemic also highlighted the level of interconnectedness of existing international supply chains and their fragility when one or more links break. Companies are building up greater resilience in their operating models and are preparing to minimise future supply-chain-induced disruptions. This is expected to accelerate near-shoring[44] and re-shoring[45] trends which will increase demand for I&L floorspace.

5.3.37. **Growth in UK Freight:** Freight volumes are another key growth driver of I&L floorspace need. Freight arriving and leaving the UK needs to be sorted, packaged and distributed via a network of freight handling infrastructure (i.e. ports, freight handling airports, rail freight interchanges and motorways) and conveniently located I&L premises in order to reach end customers.

5.3.38. Freight volumes are forecast to grow significantly which will increase demand for I&L space in the UK **(Figure 5.6)**. Again the growth in UK freight volumes will not have been accounted for in the job forecasts and past completions methodologies relied upon by the Council's in its evidence.

[44] 'Near-shoring' concerns transferring a business operations to a nearby country as opposed to a more distant one (i.e. off-shoring)

[45] 'Re-shoring' means Moving a business that had gone overseas back to the country from which it had originally relocated

**Figure 5.6 Projected Growth in Freight by Mode**


*Source: DfT, MDS Transmodal, Boeing, Savills (2022)*

***Strategic Employment Land Appraisal Summary Report (May 2020) ('SELA')***

5.3.39. The SELA is a brief, high level report. Its purpose is to bring together evidence from each of the local authorities in the Sheffield City Region on the overall supply of strategic employment land. Strategic land comprises all sites of 5 hectares or greater.

5.3.40. At the time of the study, the conclusions were that there was an identified need in the region of 1,469 hectares of employment land and a supply of 1,524 hectares. This was a surplus of about 56 hectares across the region.

5.3.41. At the time of the report, the demand supply balance in Sheffield was in deficit by about 25 hectares. This was a smaller deficit than the 55 hectare deficit in the ELR which was completed prior to the completion of the SELA. The difference is because the SELA identified employment land supply of 175 hectares which is about 30 hectares more than the ELR. However there is no information provided about the sites which provide the additional 30 hectares and their associated uses.

5.3.42. The overall employment land position across the local authorities in SCR is presented in **Table 5.5**.

**Table 5.5 Demand Supply Balance**

| Local Authority | Total Demand | Supply | Balance |
|---|---|---|---|
| **South Yorkshire** | | | |
| Barnsley | 291 | 297 | +6 |
| Doncaster | 481 | 482 | +1 |
| Rotherham | 235 | 264 | +29 |
| Sheffield | 200 | 175 | -25 |
| **Derbyshire** | | | |
| Bassetlaw | 68 | 108 | +40 |
| Bolsover | **92** | **92** | **0** |
| Chesterfield | **44** | **44** | **0** |

| Local Authority | Total Demand | Supply | Balance |
|---|---|---|---|
| Derbyshire Dales | **15** | **24** | **+9** |
| North East Derbyshire | **42.7** | **38.4** | **-4.3** |
| **Total** | 1,468.7 | 1,524.4 | +55.7 |

*Source: Strategic Employment Land Appraisal (2020)*

***Savills Review of the Strategic Employment Land Appraisal Summary Report***

5.3.43. The document summarises a range of assessments used by the different local authorities in the SCR to identify the need for I&L. The reports use the same problematic methodologies that we critiqued in our review of the Sheffield Employment Land Review. We do not agree with the approaches because they underestimate actual need by relying on metrics that do not correlate with the underlying need for employment land for the I&L sector.

5.3.44. In addition, the report does not assess the sites being made available or the extent to which employment land available in one local authority is appropriate to meet the needs for employment land in another local authority.

5.3.45. We consider this study to underestimate the demand for I&L uses across the SCR and in reality there is no surplus supply. We outlined Savills view of overall I&L demand across the SCR and Sheffield specifically within Section 8

***Employment Land Review Update for Sheffield Final Report (September 2021) ('ELR Update')***

5.3.46. The ELR Update was commissioned because of the impact of the Covid-19 pandemic and changes to Government Policy. The ELR Update provides an updated assessment of economic land need; a critical assessment of supply; and the specific need for logistics. The ELR Update does not cover specifically the need for strategic B8 logistics (defined as premise over 100,000 sq.ft.).

5.3.47. Paragraph 5.11 stated that agents say the quality of available industrial stock is generally low and unsuitable for many of the businesses looking to locate in the City. Also, local firms looking to move to larger or higher quality premises often struggle to find suitable premises.

5.3.48. Paragraph 5.14 characterises the logistics sector as severely constrained due to a lack of development. This is causing many firms to located into other less desirable areas such as Doncaster, Rotherham and Barnsley. Enquiries from large occupiers were said to be queuing up to locate in Sheffield but are forced to look elsewhere. Stakeholders say that Sheffield 'risks missing big opportunities' and whilst the City's offers good transport links, labour market skills and an attractive leisure offer for workers, there are insufficient sites.

5.3.49. Paragraph 5.15 said that at the time of the report, Invest Sheffield had six enquires for large industrial sites totally about 94 hectares, none of which were able to be fulfilled because of the lack of land.

5.3.50. Paragraph 5.18 states that stakeholders stressed that bold decisions about the provision of more industrial

land was required from the Council to ensure investment is not lost. A representative from the SCR said that logistics was a key area of opportunity as demand extends northwards from the East Midlands. In Paragraph 5.19 agents stressed that despite a vacancy rate of 8.4% at the time, the available stock is not suitable for current needs of the market.

5.3.51. Table 6.18 in the ELR Update provides an update of employment land need. This is set out in **Table 5.6**. The figures for I&L are not directly comparable to the original ELR because of the calculation methods. This is because the flexibility factor and the loss replacement adjustments are applied on total employment land need and not for the different use classes. The result regarding overall employment land need, is that the average annual need declined from 10.52 to 9.32 ha per annum, seemingly at odds with the report's synopsis of market conditions centred around strong demand and a lack of supply.

**Table 5.6 I&L Employment Land Scenarios (2018-2038)**

| | B1c | B2 | B8 | Total I&L* | Total Employ-ment Land** | Total Employment Land Per Annum |
|---|---|---|---|---|---|---|
| Labour Demand – Scenario 1 | 63.85 | -17.46 | 14.97 | 61.36 | 182.32 | 9.12 |
| Labour Demand – Scenario 2 | 8.5 | -18.13 | 23.85 | 14.22 | 141.22 | 7.06 |
| Labour Demand – Scenario 3 | 74.45 | -12.47 | 35.89 | 97.87 | 224.26 | 11.21 |
| Labour Supply – Scenario 1 | 57.35 | -20.52 | 2.12 | 38.95 | 156.57 | 7.83 |
| Labour Supply – Scenario 2 | 56.04 | -21.13 | -0.22 | 34.69 | 151.65 | 7.58 |
| Labour Supply – Scenario 3 | 78.95 | -10.35 | 44.77 | 113.37 | 242.05 | 12.10 |
| Labour Supply – Scenario 4 | 76.23 | -11.63 | 39.40 | 104 | 231.28 | 11.56 |
| Labour Supply – Scenario 5 | 64.11 | -17.33 | 15.47 | 62.25 | 183.34 | 9.17 |
| Labour Supply – Scenario 6 | 62.36 | -18.16 | 12.02 | 56.22 | 176.41 | 8.82 |
| Past Development Rates – Scenario 1 | | | | | 208.82 | 10.44 |
| Past Development Rates – Scenario 2 | | | | | 152.34 | 7.62 |
| **Average** | | | | | | **9.32** |

***Sheffield Logistics Study (December 2022)***

5.3.52. The report considers the need for large scale warehousing and logistics for premises greater than 100,000 sq.ft. It identifies key drivers of demand for logistics including the growth of e-commerce.

5.3.53. The study says that Sheffield is an important industrial and logistics hub given its proximity to six airports and two key container ports (Humber and Liverpool).

5.3.54. The study introduces two new sub-regional geographies not previously covered in the Council's evidence base. The Core Property Market Area is the Sheffield PMA and is comprised of Sheffield, Rotherham, Barnsley, and Doncaster. The Wider Property Market Area is called the Sheffield Wider PMA and is comprised of Sheffield, Rotherham, Barnsley, Doncaster, North East Derbyshire, Chesterfield, Bolsover and Bassetlaw. This is distinct from the SCR that had been used by the Council in its ELR.

5.3.55. Table 4.4 of the study shows that the Sheffield has the lowest level of vacancy compared to the other markets in the wider property market areas. It was below 1% at the time of the study. Paragraph 4.39 shows that Sheffield's rate of delivery for this sector of the market has been lower than the rest of the property market area.

5.3.56. The report identifies the pipeline of development across the Core Property Market Area. There was about 2.6m sq.ft. of development under construction in the Core PMA. Paragraph 4.45 states that of the total pipeline of about 14.9m sq.ft. in the Core PMA (comprised of employment land and premises that is proposed, allocated and permitted) only about 13% is in Sheffield.

5.3.57. Paragraph 4.47 says that Sheffield has had a lack of investment in new stock and available property which points to untapped demand in the market arising from planning and natural constraints. Paragraph 4.48 says that Sheffield has lagged behind all benchmarked areas in terms of total floorspace growth and that there is a pressing demand for large warehousing facilities in Sheffield.

5.3.58. Paragraph 4.55 says that stakeholders in the Sheffield logistics sector say too little has been built to meet local and regional demand. In contrast, Doncaster has taken a more proactive approach to promoting sites.

5.3.59. Paragraph 4.56 says that agents report that Sheffield is perceived as better than other locations and demand remains high. It is attractive because of its status as a large consumer market and because it offers a large pool of workers.

5.3.60. Paragraph 4.65 says that Doncaster and Rotherham have seen significantly greater levels of take-up compared to Sheffield. However Paragraph 4.67 says that there are important threats to logistics in these areas. Principally that Doncaster is facing recruitment issues.

5.3.61. The study provides forecasts for the need for logistics in Sheffield, the Core PMA (also called the Sheffield PMA) and the Sheffield Wider PMA area. It covers several methodologies including past completions; historic net absorption; demand and supply metrics in the wider property market area; and a per dwelling requirement of 69 sq.ft. based on the national per dwelling average in 2017.

5.3.62. Table 5.3 sets out the demand for employment land to accommodate large logistics in the Sheffield PMA (comprised of Sheffield, Rotherham, Barnsley and Doncaster) based on historic net absorption. It identifies a need for between 444.6 ha and 531.1 ha although it is recognised that in a supply-constrained market, this is likely to be an underestimate.

5.3.63. Paragraph 5.5 considers the past completions methodology to forecast demand for Sheffield. It also applies top-ups for the current vacancy being below 5% and a safety margin of 5 years' worth of net absorption based on the historic average. This method identifies a need for 24.2 hectares between 2022 and 2039 but concludes in Paragraph 5.6 that it may not be a clear indicator of future need because demand has been suppressed in Sheffield. Paragraph 5.7 characterises Sheffield as having very few modern buildings and being undersupplied.

5.3.64. **Table 5.6** below sets out the identified need in Sheffield based on the range of historic data. It concludes the employment land need for all large I&L premises is 86.7 hectares for large-scale logistics is 78.2 hectares. Paragraph 7.5 states that there is a need for Sheffield to make a meaningful contribution towards meeting this need.

**Table 5.6 Need for Land for Large Scale Industrial Premises (100,000 sq.ft) in Sheffield (2022-2039) Based on Net Absorption Methodology**

| | Land Requirement (hectares) |
|---|---|
| B8 – Based on Historic Data from 2012-2021 | 69.6 |
| B8 – Based on Historic Data from 2017-2021 | 86.8 |
| ***Average (B8)*** | ***78.2*** |
| B2/B8 – Based on Historic Data from 2012-2021 | 83.8 |
| B2/B8 – Based on Historic Data from 2017-2021 | 89.5 |
| ***Average (B2/B8)*** | ***86.7*** |

*Source: Sheffield Logistics Study (2022)*

5.3.65. In terms of supply, Paragraph 6.2 considers only 22.3 ha is an estimate of the supply of land available for large logistics in Sheffield. Our assessment of those sites in Section 7 demonstrates that three of the four sites are inappropriate for large scale logistics and therefore don't meet the Council's needs. It estimates supply to be upwards of 84.2 ha but that given the Council's prioritisation of the advanced manufacturing sector over logistics, only 22.3 ha is made available for large scale logistics.

5.3.66. Table 6.1 of the study presents the sites the Council is making available for logistics. The 22.3 hectares of land made available in Sheffield for large scale logistics comprises four sites:

- River Don District, Weedon Street (4.2 hectares);
- Bessemer Park, Former Outokumpu Site, Shepcote Lane - Phase 2 (4 hectares);
- Smithywood, Cowley Hill, Chapeltown (11.3 hectares); and
- Alsing Road (2.8 hectares).

5.3.67. These sites are reviewed in Section 7 which is Savills own review of supply. Three of the four sites are in locations where advanced manufacturing is prioritised which means they may not be made available for logistics. In addition, Bessemer Park Phase 1 is complete and fully let; Phase 2 is under construction and therefore the site is only available to meet near-term demand. Also, Smithywood has two remaining plots comprising just about 3.5 ha. The rest of the site is already fully delivered. The other two sites (River Don District, Weedon Street and Alsing Road) have very limited capacity for strategic logistics and can hardly be considered strategic. This suggests that much of the Council's identified 22.3 hectares is unavailable because it has already been developed or the sites are too limited in scale to be considered strategic.

5.3.68. The study suggests that Sheffield does not need to meet its identified need for large scale logistics. It says

that other local authority areas can meet some of this need and that some need can be met through refurbished or recycled stock.

5.3.69. The result of the report's analysis is that Sheffield has a shortfall of 40.3 hectares of employment land for large scale logistics. This is presented in **Table 5.7**. Our own analysis of supply set out in Section 7 shows that the Council's identified supply is less than 22.3 hectares.

**Table 5.7 Sheffield Demand Supply Balance for Large Scale Logistics**

| | Land Requirement (hectares) |
|---|---|
| Recommended Need | 78.2 |
| 20% Reduction from Recycled Sites | 62.6 |
| Supply | 22.3 |
| **Shortfall** | **-40.3 ha** |

Source: Sheffield Logistics Study (2022)

5.3.70. Whilst the study concludes in Paragraph 8.19 that Sheffield may not be providing enough land to meet its large logistics requirements, it concludes that there is probably sufficient land elsewhere such as in Bassetlaw.

5.3.71. Paragraph 7.10 sets out some of the key characteristics of sites for large logistics including:

- Well-connected to the strategic highway network;
- Sufficiently large and flexible to accommodate a range of units which means a minimum of 2.5 ha but ideally a minimum of 20 ha;
- Accessible to labour markets; and
- Located away from incompatible land-uses.

5.3.72. Table A1.2 presents five sites in the Green Belt including Hesley Wood that are potentially suitable for logistics. Hesley Wood is considered to be the most deliverable of the five sites because it does not have any perceived barriers. The barriers of the other sites include challenging topography, proximity to residential uses and poor access to the motorway.

***Savills Review of the Logistics Study***

5.3.73. Whilst the Logistics Study concluded that there is probably sufficient land in the SCR to meet Sheffield's identified need, there is no evidence that this is the case. We consider this evidence vital in demonstrating the Draft Local Plan's employment strategy is sound. Our assessment of supply in Section 7 shows that the sites available for strategic logistics in the key local authorities are very limited and are unlikely to provide sufficient land to meet the identified need.

The Logistics Study estimates that 20% of the existing stock could come forward for redevelopment over the period of the Draft Local Plan. The study characterises this assumption as a rule of thumb although

provides no evidence to suggest this is a reasonable figure. We find the likelihood of 15 hectares of existing employment land coming forward for redevelopment to be unrealistic. There is little incentive for landowners to redevelop well-let premises. The redevelopment of existing and well-used industrial units is expensive because of the construction costs and the foregone income during the redevelopment process. Even if the land were to come forward, this would only result in a marginal net increase in employment floorspace since existing units would be demolished.

# 6. I&L Market Assessment

## 6.1. Introduction and Summary

6.1.1. This section presents supply and demand factors for I&L premises in Sheffield, the FEMA (Sheffield and Rotherham) and the SCR. The aim of the assessment is to demonstrate where Hesley Wood could provide much-needed support to Sheffield's I&L market by identifying both gaps in provision and where demand is particularly strong. The most salient contribution from Hesley Wood would be by addressing the shortage of and strong demand for modern, large scale warehousing premises.

6.1.2. Sheffield comprises a uniquely supply-constrained I&L market in what is a supply-constrained region. This is the result of a very limited historic supply response in the face of an endemic shortage of modern I&L premises which has led to low availability and exceptionally strong rental growth.

The lack of new I&L development means Sheffield's I&L stock can be described as relatively old, poor quality and small in terms of overall inventory when compared to other locations in the SCR. Subsequently, Sheffield's current sites and premises are ill-equipped to meet the needs of modern warehouse occupiers.

## 6.2. Sheffield's I&L Market Has Been Uniquely Supply-Constrained Compared to the Wider SCR

6.2.1. **Table 6.1** presents a summary of key market indicators for all local authorities in the SCR. Sheffield is the second largest I&L market with 31 million sqft which accounts for 23% of the SCR's total I&L stock. In spite of Sheffield's large share of overall inventory, it has underperformed with regard to the level of net absorption and development activity. There simply hasn't been enough development to accommodate underlying demand. For the past decade, the level of net absorption in Sheffield has only been 11% of the SCR. Whilst the SCR has been a supply-constrained market, Sheffield has been uniquely supply-constrained.

6.2.2. **Table 6.1** shows that I&L markets in all the local authorities have availability rates significantly below 8% which is the threshold at which a market is considered to be balanced in terms of supply and demand (discussed in further detail below). An availability rate below 8% indicates that a market is supply-constrained.

6.2.3. With the exception of North East Derbyshire, over the past decade the average per annum net absorption (demand) exceeded net deliveries (supply) in all local authorities. This highlights that generally supply has not been keeping pace with demand.

**Table 6.1 Key I&L Indicators by Local Authorities in the SCR**

| Area | Inventory (sq.ft) | Availability Rate (%) | Ave. Market Rents (2022 YTD) | Rental Growth (2012-22) | Ave. Net Absorption (2012-22) | Average net deliveries p.a. (2012-22) (sqft) |
|---|---|---|---|---|---|---|
| Barnsley | 16,099,833 | 1.8% | £4.81 | 46% | 365,949 | 200,947 |
| Bassetlaw | 11,778,663 | 2.0% | £4.93 | 24% | 272,690 | 117,762 |
| Bolsover | 9,211,267 | 1.3% | £6.13 | 58% | 179,546 | 160,638 |

| Area | Inventory (sq.ft) | Availability Rate (%) | Ave. Market Rents (2022 YTD) | Rental Growth (2012-22) | Ave. Net Absorption (2012-22) | Average net deliveries p.a. (2012-22) (sqft) |
|---|---|---|---|---|---|---|
| Chesterfield | 5,701,542 | 1.2% | £6.81 | 38% | 241,614 | 178,022 |
| Derbyshire Dales | 1,380,395 | 1.4% | £5.84 | 13% | 9,723 | 1,568 |
| Doncaster | 34,744,912 | 3.6% | £6.33 | 75% | 881,051 | 826,561 |
| North East Derbyshire | 5,393,992 | 2.6% | £7.25 | 86% | 14,826 | 18,036 |
| Rotherham | 19,845,143 | 3.8% | £5.82 | 62% | 252,132 | 160,386 |
| Sheffield | 30,974,136 | 4.3% | £5.51 | 36% | 277,893 | 199,925 |
| **FEMA** | **50,819,279** | **4.1%** | **£5.63** | **45%** | **530,025** | **360,515** |
| **SCR** | **135,129,883** | **3.1%** | **£5.75** | **50%** | **2,495,423** | **1,863,845** |

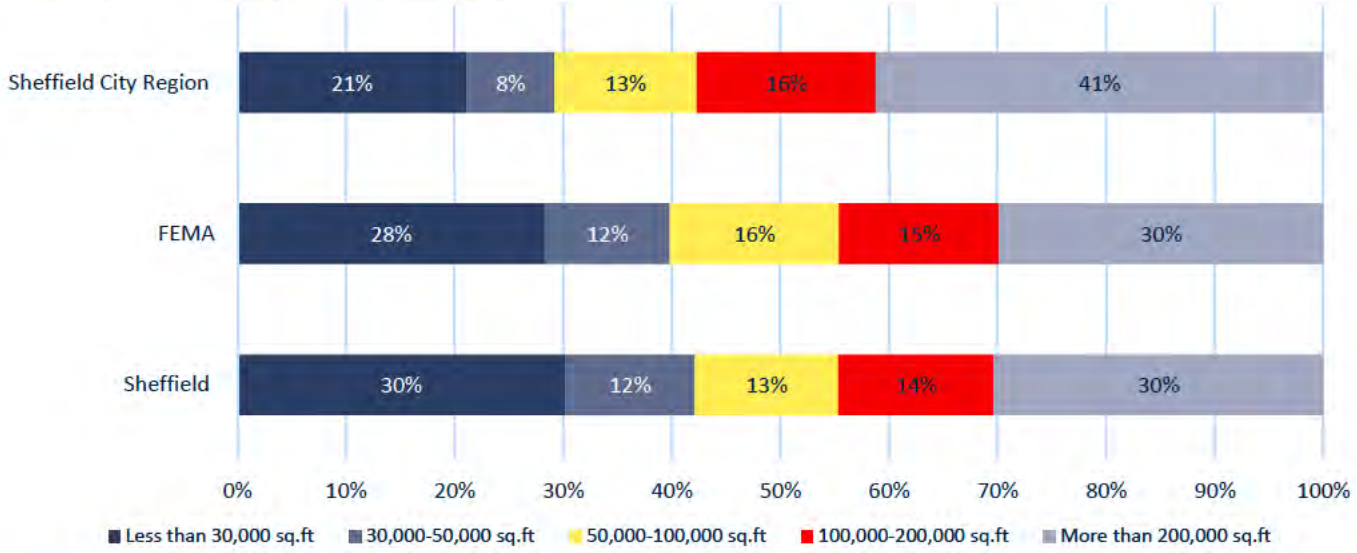
*Source: CoStar (2023)*

### 6.3. Sheffield's Has Fewer Modern, High-Quality I&L Premises than the FEMA and SCR

6.3.1. Compared to the SCR, Sheffield's I&L inventory has a larger proportion of small units (under 30,000 sqft) and a lack of larger units over 100,000 sq.ft. Within the SCR approximately 57% of the stock is made up of larger premises (100,000 sqft plus), whereas the proportion in Sheffield and the FEMA is just 45%, as shown in **Figure 6.1**.

6.3.2. As outlined in **Section 2**, Hesley Wood would provide a range of unit sizes including very large units to help address the shortage in Sheffield and the FEMA.

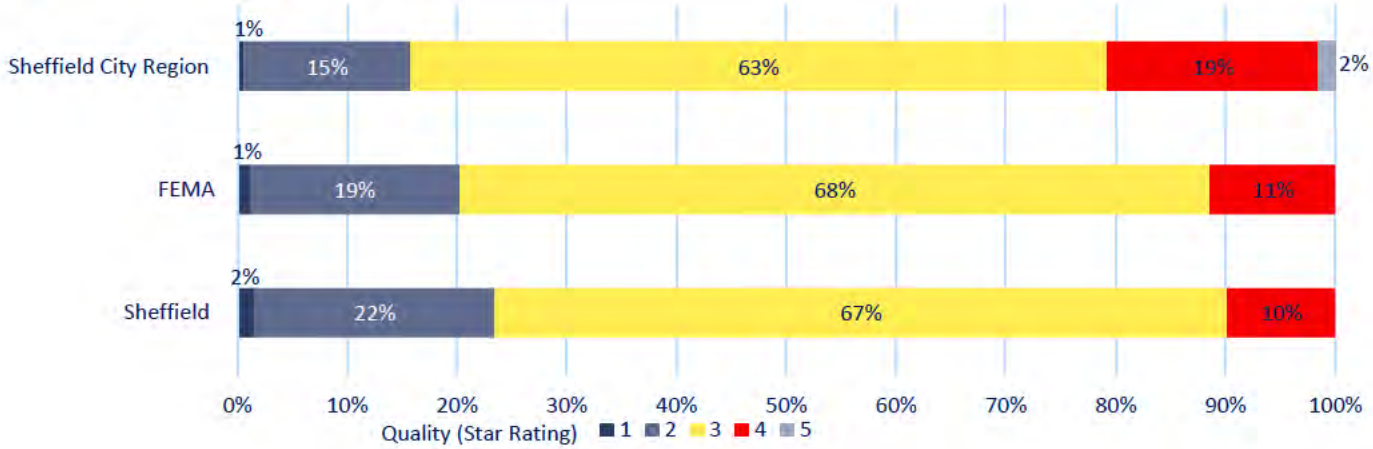
**Figure 6.1 Inventory by Premises Size**




*Source: CoStar (2023)*

6.3.3. Regarding the quality of stock, **Figure 6.2** shows that Sheffield has half the proportion of high-quality stock (rated 4 to 5 stars) compared to the SCR. Sheffield also has a significantly higher proportion of low grade stock (1 to 2-stars). The relatively poor condition of Sheffield's stock is due to so little new supply being delivered.

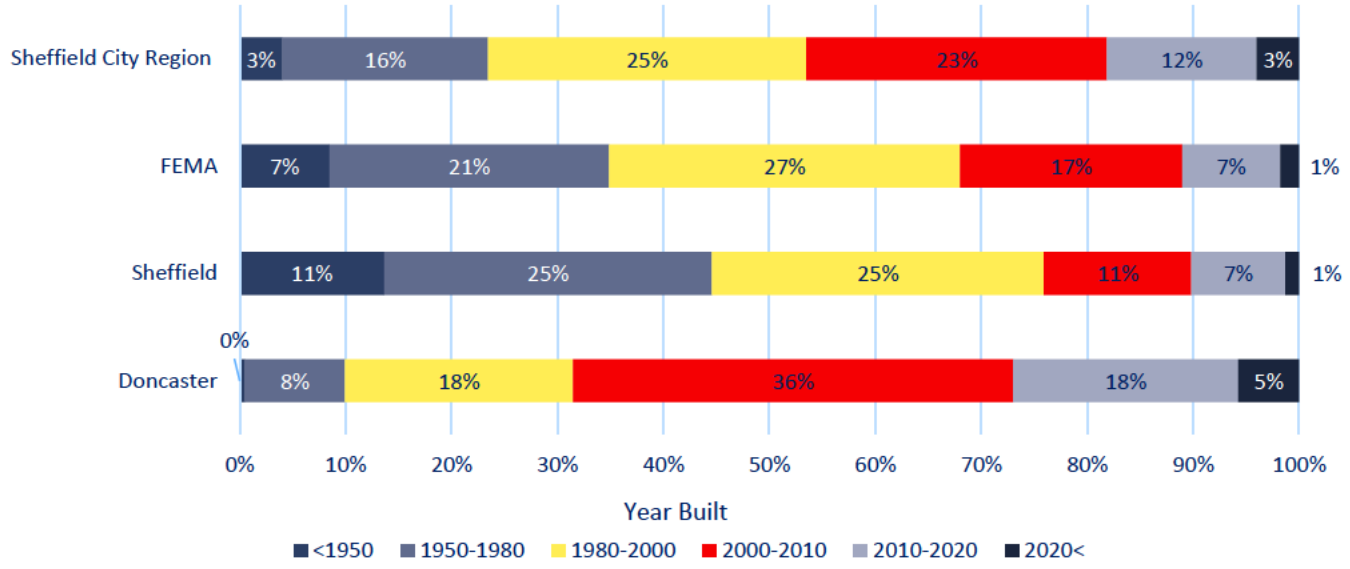
**Figure 6.2 Inventory by Quality**




*Source: CoStar (2023)*

6.3.4. **Figure 6.3** shows that a similar pattern is observed in Sheffield when assessing the age of its I&L stock. Sheffield has a higher proportion of older stock and lower proportion of newer stock. Just 19% of Sheffield's stock was built after 2000. This compares to 26% of the FEMA's stock, 38% of the SCR's and 59% of Doncaster's I&L stock. Sheffield's I&L stock is in need of modernising.

**Figure 6.3 Share of Inventory by Age**




*Source: CoStar (2023)*

## 6.4. Availability

6.4.1. **Table 6.2** presents the historic availability rates for all the local authorities in the SCR.

6.4.2. At the national level, 8% availability across all size bands is commonly referred to as the level where a market is broadly in balance (i.e. equilibrium frictional capacity) in terms of supply and demand as identified in publications such as the GLA's Land for Industry and Transport SPG (2012). Below 8% the supply of premises is tight and rents accelerate as occupiers compete for limited available stock.

6.4.3. As shown in **Table 6.2**, availability in Sheffield, the FEMA and SCR has been below 8% since 2014. Currently, the average availability rate across all of the local authorities in the SCR is just 3%. The shortage of available I&L floorspace is an SCR-wide issue.

6.4.4. **Table 6.2** shows that the I&L market has been supply-constrained for a considerable period of time which in turn suppresses take-up as occupiers are unable to find space to meet their needs. As a result they are forced to either remain in existing premises, even if not ideal for their operational requirements, or leave the area to find suitable premises elsewhere, taking the jobs and investment they generate away with them.

**Table 6.2 Historic Availability Rates in FEMA, 2012-2023 YTD**

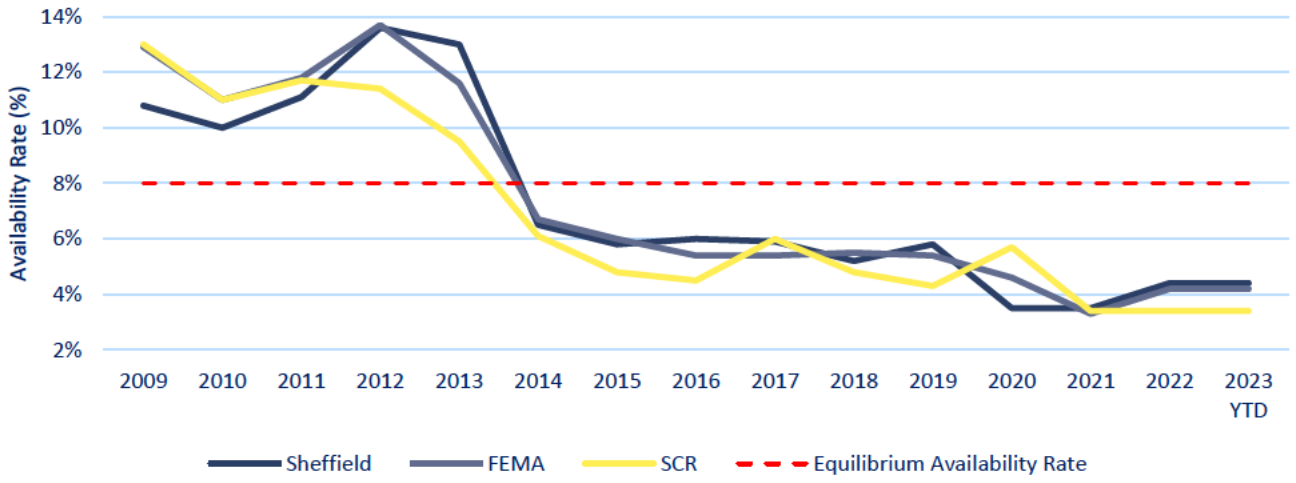
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Barnsley | 12% | 11% | 7% | 5% | 6% | 5% | 4% | 7% | 6% | 3% | 2% | 2% |
| Bassetlaw | 15% | 14% | 12% | 4% | 3% | 6% | 5% | 4% | 5% | 2% | 2% | 2% |
| Bolsover | 7% | 6% | 3% | 3% | 1% | 6% | 0% | 0% | 4% | 3% | 1% | 1% |
| Chesterfield | 16% | 13% | 7% | 12% | 8% | 12% | 12% | 4% | 4% | 2% | 1% | 1% |

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Derbyshire Dales | 27% | 20% | 14% | 12% | 10% | 10% | 9% | 2% | 3% | 0% | 1% | 1% |
| Doncaster | 7% | 5% | 3% | 3% | 4% | 6% | 4% | 3% | 9% | 5% | 4% | 4% |
| North East Derbyshire | 6% | 4% | 2% | 2% | 1% | 6% | 5% | 4% | 3% | 3% | 3% | 3% |
| Rotherham | 14% | 9% | 7% | 6% | 4% | 5% | 6% | 5% | 6% | 3% | 4% | 4% |
| Sheffield | 14% | 13% | 7% | 6% | 6% | 6% | 5% | 6% | 4% | 4% | 4% | 4% |
| **FEMA** | **14%** | **12%** | **7%** | **6%** | **5%** | **5%** | **6%** | **5%** | **5%** | **3%** | **4%** | **4%** |
| **SCR** | **11%** | **10%** | **6%** | **5%** | **5%** | **6%** | **5%** | **4%** | **6%** | **3%** | **3%** | **3%** |

*Source: CoStar (2023)*

6.4.5. **Figure 6.4** presents the historic availability rate in the Sheffield, the FEMA and the SCR compared to the 8% equilibrium rate. The availability rates in all areas fell below 8% in 2014 and have remained below this level ever since.

**Figure 6.4 Availability Rate since 2012**




*Source: CoStar (2023)*

## 6.5. Availability by Size Band

6.5.1. **Table 6.3** below, shows that availability is below 8% across all size categories in Sheffield. In the SCR, availability is lowest in larger properties (greater than 100,000sq.ft.).

6.5.2. In Sheffield's large unit sector, availability in the 100,000 to 200,000 sq.ft. category is 6.7%. Availability is primarily comprised of the unit at Drakehouse Crescent which comprises 62% of the available space. However, our own review shows that this unit has been divided into smaller premises and is now substantially let, with only about 25,000 sq.ft. remaining. This suggests that current availability is lower than the figures in CoStar is let, the size category will have an availability rate of just 2.5%.

6.5.3. Similarly in the largest size category in (greater than 200,000 sq.ft.), there is one site on Shepcote Lane that constitutes all available space within this size category. This unit is currently being marketed.

**Table 6.3 Availability by Size Band**

| | Less than 30,000 sq.ft | 30,000-50,000 sq.ft | 50,000-100,000 sq.ft | 100,000-200,000 sq.ft | More than 200,000 sq.ft |
|---|---|---|---|---|---|
| Barnsley | 3.3% | 4.2% | 2.4% | 0.0% | 0.1% |
| Bassetlaw | 6.9% | 11.7% | 0.0% | 0.0% | 0.0% |
| Bolsover | 3.0% | 0.0% | 5.3% | 0.0% | 0.0% |
| Chesterfield | 2.2% | 4.9% | 0.1% | 0.0% | 0.0% |
| Derbyshire Dales | 3.6% | 0.0% | 0.0% | 0.0% | 0.0% |
| Doncaster | 3.3% | 3.3% | 6.5% | 5.5% | 4.2% |
| North East Derbyshire | 0.5% | 0.0% | 2.5% | 9.4% | 0.0% |
| Rotherham | 3.1% | 7.7% | 5.4% | 0.0% | 0.0% |
| Sheffield | 4.4% | 2.0% | 2.3% | 6.7% | 3.9% |
| **FEMA** | **4.0%** | **4.8%** | **4.2%** | **5.0%** | **2.9%** |
| **SCR** | **3.4%** | **3.8%** | **2.7%** | **2.4%** | **0.9%** |

*Source: CoStar (2023)*

## 6.6. Demand vs Supply

6.6.1. Net absorption is a leading measure of demand based on lease deals. It compares occupied space (move-ins) versus vacated space (move-outs). On the other hand net deliveries is a measure of supply and registers the change in inventory (floorspace).

6.6.2. Over the last decade, the average net absorption (demand) has exceeded average net deliveries (supply) across nearly all of the SCR. The higher the ratio in the right-hand column, the more likely that there are tight market conditions. This relationship is shown in **Table 6.4** and in **Figure 6.5**.

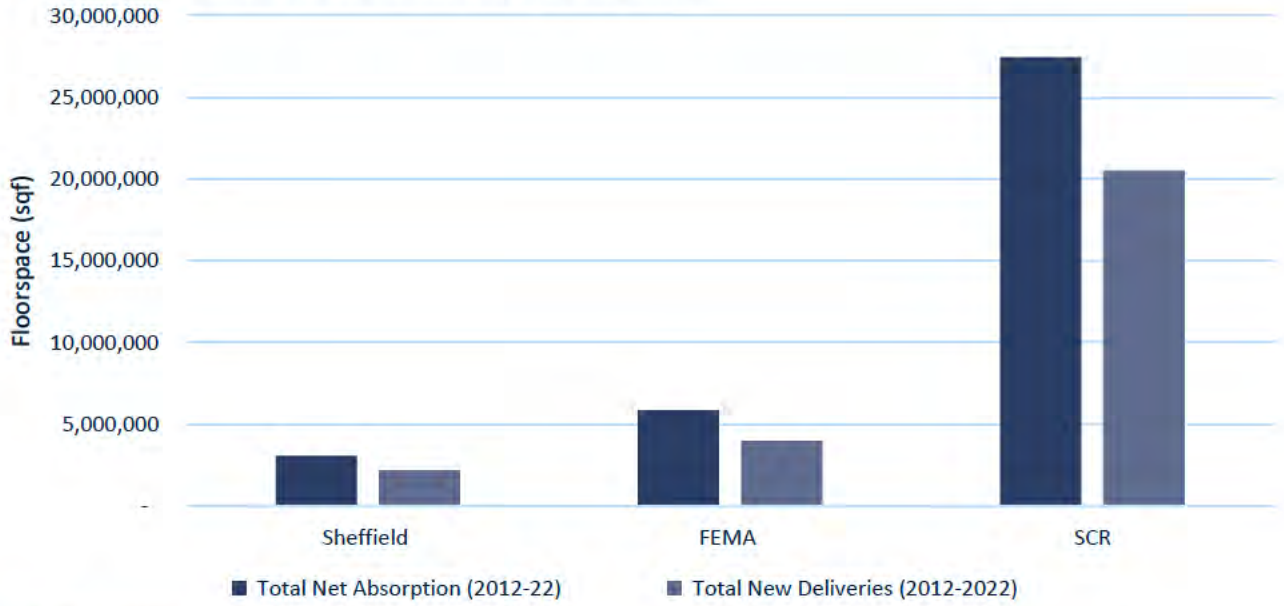
**Table 6.4 Net Absorption and Net Deliveries p.a. (2012-2022) in the FEMA**

| | Ave. Net Absorption p.a. (2012-22) | Ave. Net Deliveries p.a. (2012-22) | Ave. Net Absorption p.a. to Ave. Net Deliveries p.a. Ratio |
|---|---|---|---|
| Barnsley | 365,949 | 200,947 | 1.8 |
| Bassetlaw | 272,690 | 117,762 | 2.3 |
| Bolsover | 179,546 | 160,638 | 1.1 |
| Chesterfield | 241,614 | 178,022 | 1.4 |

| | Ave. Net Absorption p.a. (2012-22) | Ave. Net Deliveries p.a. (2012-22) | Ave. Net Absorption p.a. to Ave. Net Deliveries p.a. Ratio |
|---|---|---|---|
| Derbyshire Dales | 9,723 | 1,568 | 6.2 |
| Doncaster | 881,051 | 826,561 | 1.1 |
| North East Derbyshire | 14,826 | 18,036 | 0.8 |
| Rotherham | 252,132 | 160,386 | 1.6 |
| Sheffield | 277,893 | 199,925 | 1.4 |
| **FEMA** | **532,370** | **360,515** | **1.5** |
| **SCR** | **2,495,423** | **1,863,845** | **1.3** |

*Source: CoStar (2023)*

**Figure 6.5 Net Absorption and Net Deliveries p.a. (2012-2022)**




*Source: CoStar (2023)*

6.6.3. We have also expressed net absorption and net deliveries as a proportion of inventory. This is an important measure as it shows:

- Comparatively how strong demand is relative to the size of a market's inventory and therefore allows comparisons to be made as to the strength of demand between different market geographies; and
- The relationship between demand and supply.

6.6.4. **Table 6.5** shows that Sheffield has lagged behind the LA's in the SCR in terms of net deliveries. Over the last decade, the average annual rate of net deliveries equated to just 0.6% of Sheffield's inventory. Chesterfield and Doncaster were the best performing LA's, delivering an average of 3.1% and 2.4% of their

existing inventories per annum, respectively. This is considerably higher than the SCR average which is 1.4%.

6.6.5. Considering this and that all of the markets currently have very low availability rates, even in the markets with the greatest development delivery rates supply has not kept pace with demand. More sites are needed across the SCR such as the Hesley Wood.

6.6.6. This situation is exacerbated in Sheffield which has one of the lowest rates of new I&L floorspace compared to its inventory. It is likely that net absorption is low in Sheffield not because demand is low but because of the insufficient supply. Demand can't be realised unless there is available supply.

**Table 6.5 Average net absorption and deliveries as a proportion (%) of inventory (2012-2022)**

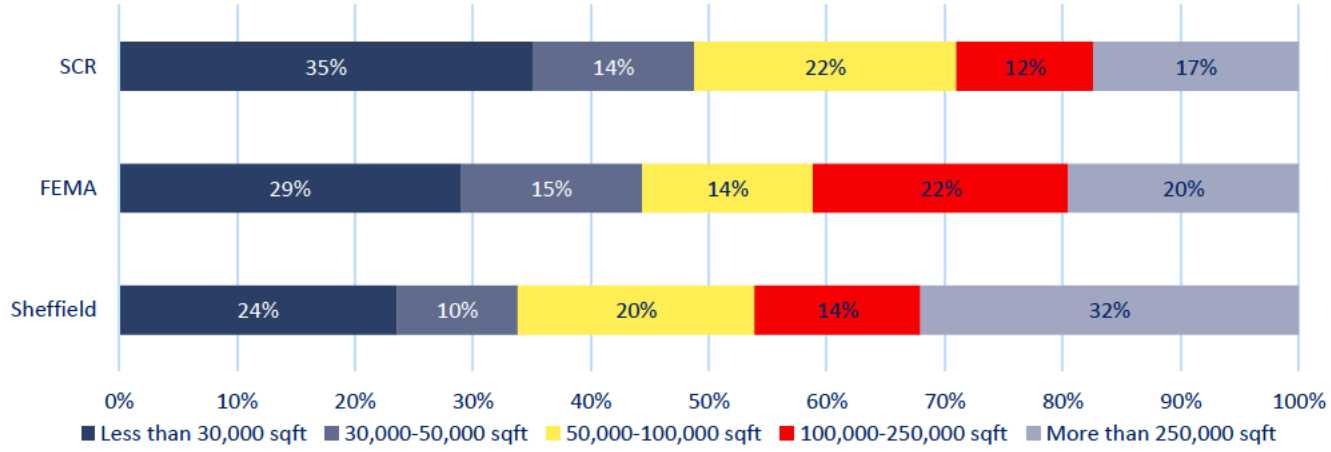
| | Ave. Net Absorption p.a. (2012-22) as % of Inventory | Ave. Net Deliveries p.a. (2012-22) as % of Inventory |
|---|---|---|
| Barnsley | 2.3% | 1.2% |
| Bassetlaw | 2.3% | 1.0% |
| Bolsover | 1.9% | 1.7% |
| Chesterfield | 4.2% | 3.1% |
| Derbyshire Dales | 0.7% | 0.1% |
| Doncaster | 2.5% | 2.4% |
| North East Derbyshire | 0.3% | 0.3% |
| Rotherham | 1.3% | 0.8% |
| Sheffield | 0.9% | 0.6% |
| **FEMA** | **1.0%** | **0.7%** |
| **SCR** | **1.8%** | **1.4%** |

*Source: CoStar (2023)*

## 6.7. Demand by Size Band

6.7.1. In spite of the acute shortage of large units in Sheffield, it has exhibited the strongest demand for larger premisses (over 100,000 sq.ft.). Around 46% of demand in the last 10 years in Sheffield was for premisses within this size category. This compares to 29% in the SCR.

**Figure 6.6 Net Absorption Share by Size Band (2012-2023 YTD)**




*Source: CoStar (2023)*

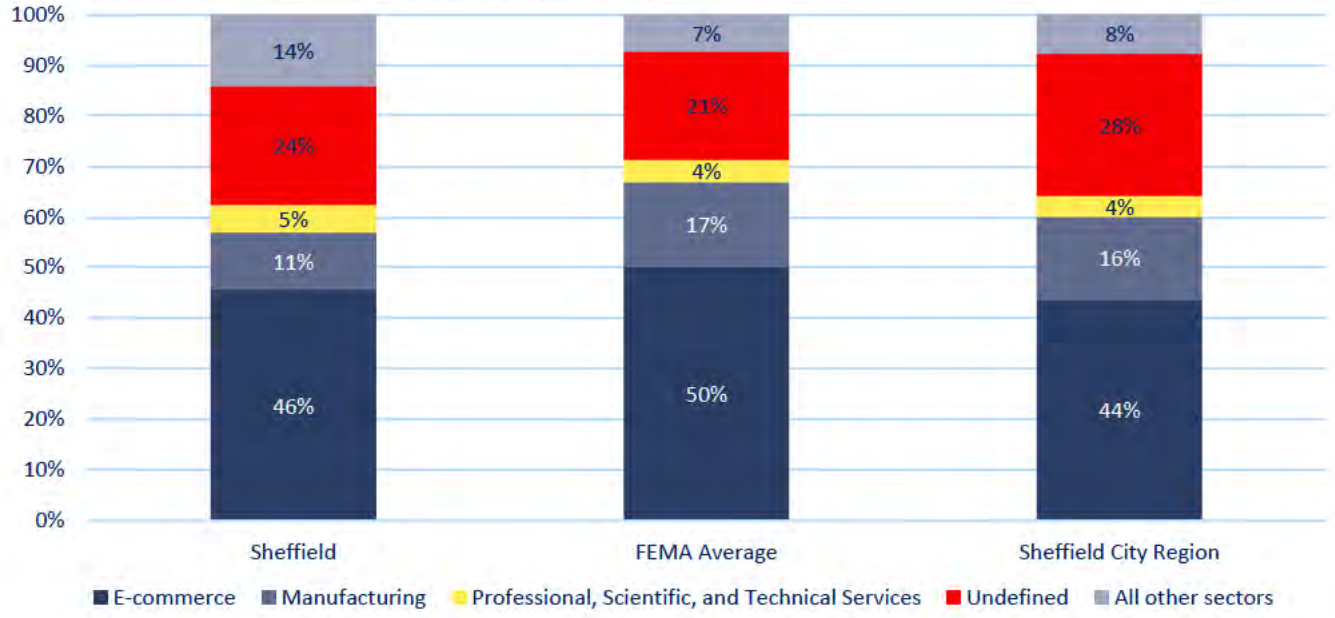
## 6.8. Demand by Sector

6.8.1. E-commerce has accounted for the largest proportion of floorspace demand across the SCR. The sectors which are typically linked to e-commerce are Retail, Transport & Warehousing and Wholesale. Over the past 10 years these sectors have accounted for 46% of total take-up in Sheffield compared to 44% in the SCR.

6.8.2. The increase in e-commerce is one of the main growth drivers for the I&L sector. Not only is the UK continuing to build more homes, each individual home is spending more online. The increasing need for I&L floorspace is a by-product of this trend as is the growth in freight flows, both in terms of weight (tonnage) and value, moved in, out and within the country.

6.8.3. E-commerce businesses typically require large modern premises in which to operate. Sheffield has the largest variation of stock with 38% of its inventory being categorised as "undefined" or 'all other sectors'. In comparison, just 28% of the FEMA's stock falls within this category and 36% of the SCR's. This is likely a symptom of Sheffield having older and poorer quality stock in general compared to the FEMA and SCR.

**Figure 6.7 Share of Floorspace Leased by Sector, 2011-21**




*Source: CoStar (2023)*

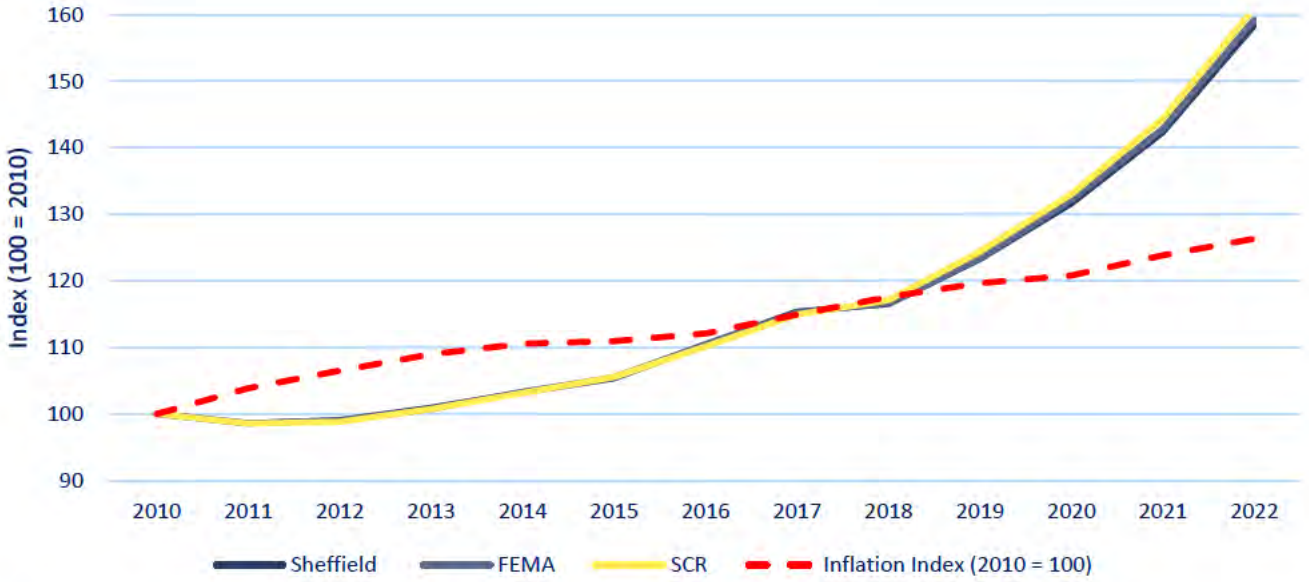
## 6.9. Rental Growth

6.9.1. Another key market indicator for understanding the relationship between supply and demand is rental growth. When demand outstrips supply, rental growth is typically higher as occupiers compete for limited available stock. This in turn drives up rents. Conversely, when there is sufficient supply to accommodate demand rental growth is lower, typically tracking inflation more closely.

6.9.2. Rents across the SCR have grown by around 60% between 2012 and 2022, over twice the rate of inflation for the same period.[46] Since 2017 rental values in Sheffield have on average increased at around 6.2% year-on-year. This is shown in **Figure 6.8** and **Table 6.6**.

[46] According to the Bank of England inflation calculator between 2011 and 2021 (https://www.bankofengland.co.uk/monetary-policy/inflation/inflation-calculator)

**Figure 6.8 Rental Growth vs. Inflation (2012 to 2022)**




*Source: CoStar (2023)*

6.9.3. As seen in **Table 6.6** rental growth has been much stronger in the second half of the decade across all geographies. This further evidences that the I&L market has become increasingly supply-constrained in recent times, a situation that will only worsen further given the strength of the sector. The Subject Site could assist in addressing the lack of supply in Sheffield and the wider SCR.

**Table 6.6 Annual Rental Growth**

| | Average Year on Year Growth (2011-16) | Average Year on Year Growth (2017-22) |
|---|---|---|
| Sheffield | 1.7% | 6.2% |
| FEMA | 1.7% | 6.3% |
| SCR | 1.6% | 6.6% |

*Source: CoStar (2023)*

## 6.10. Conclusion

6.10.1. Sheffield and the wider FEMA and SCR are supply-constrained with demand being higher than supply over the last decade. This is because supply has failed to keep up with the pace with demand. As a result, availability rates in Sheffield, the FEMA and SCR are very low. This has characterised the markets since 2014.

# 7. Savills Review of Supply

## 7.1. Introduction

7.1.1. In this section, we present a detailed assessment of employment sites in the four key local authorities of Sheffield, Rotherham, Barnsley and Doncaster. These local authorities comprise the Sheffield PMA as defined in the Sheffield Logistics Study and have the best access to the strategic road network (SRN). The purpose of our supply review is to consider the amount and quality of employment land available to meet the needs of strategic logistics uses.

7.1.2. The sites we have assessed include proposed and existing employment land allocations (identified in the respective local plans) or development schemes that have planning permission. The site assessments are presented in **Appendix A**.

7.1.3. Each site is assessed based on its development potential, deliverability, access to the strategic road network (SMR) and overall commercial attractiveness for large logistics development. We consider all sites greater than 5 hectares since which is considered the Council's threshold as set out in the Strategic Employment Land Appraisal report that is reviewed in **Section 5**. (In fact, strategic I&L sites are ordinarily considered to be significantly larger, with a minimum size being about 25 hectares as per the literatures and regional studies such as the West Midlands Strategic Employment Sites Study.[47]) Sites of 5 hectares can ordinarily accommodate two warehouses of about 100,000 sq.ft. We have also considered the characteristics set out in the Sheffield Logistics Study which comprise a commercially attractive site. This includes being accessible to the SRN; large enough to be flexible and accommodate a range of units; accessible to labour markets; and located away from incompatible land-uses.

7.1.4. The sites were given a grade from 1 to 5 with 5 being the most commercially attractive/deliverable. Sites with a score of 4 to 5 were identified as very commercially attractive and deliverable. Sites with a score of 2.5 to 3.5 are somewhat commercially attractive/deliverable but with some type of barrier such as compromised access; site constraints; sensitive uses in the vicinity; or a less than ideal location, for example. Sites that scored below 2.5 were not very commercially attractive or deliverable and are unlikely to come forward for strategic logistics.

7.1.5. In undertaking the supply assessment we have reviewed local plan documents; the CoStar and Glenigan databases; and Savills' own proprietary database of development sites.

7.1.6. Based on our review, we identified fifty sites across the four local authorities. Forty-six of the sites retained sufficient capacity to potentially accommodate strategic logistics. However the analysis finds a shortage of commercially attractive sites for strategic logistics.

7.1.7. Whilst the sites with capacity to accommodate strategic logistics comprised approximately 566 hectares, just about 92 ha is considered to be above average in terms of their commercial attractiveness. The rest of the sites are moderately or less commercially attractive and therefore are less likely to come forward for large logistics in the near-term. **Table 7.1** presents the high level results.

[47] West Midlands Strategic Employment Sites Study (2015)

**Table 7.1 Site Assessment Summary**

| Local Authority | Total Assessed Sites (Number of Sites & Hectares of Developable Land) | Commercially Attractive Sites for Strategic Logistics | Moderately Attractive (Albeit Compromised) Sites for Strategic Logistics | Less Commercially Attractive Sites for Strategic Logistics | Sites That Cannot Accommodate Strategic Logistics |
|---|---|---|---|---|---|
| Sheffield – Sites | 10 | 3 | 4 | 3 | 0 |
| Sheffield - Land | 47.85 | 14.13 | 12.70 | 21.02 | |
| Rotherham – Sites | 18 | 0 | 5 | 10 | 3 |
| Rotherham - Land | 144.89 | 0.00 | 54.08 | 90.81 | |
| Barnsley – Sites | 12 | 3 | 4 | 3 | 2 |
| Barnsley – Land | 204.80 | 53.80 | 135.70 | 15.30 | |
| Doncaster – Sites | 10 | 1 | 4 | 3 | 2 |
| Doncaster - Land | 168.80 | 24.02 | 113.93 | 30.85 | |
| **Total - Sites** | **50** | **7** | **17** | **19** | **7** |
| **Total - Land** | **566.34** | **91.95** | **316.41** | **157.98** | |

*Source: Savills (2023)*

## 7.2. Key Findings

7.2.1. The key findings from this exercise are:

- Across the four local authorities there are just 7 sites comprising about 92 ha of commercially attractive sites that could accommodate strategic logistics. There is an additional 316 ha across 17 sites comprising land which is of average commercial attractiveness and which is unlikely to come forward in the near term. This shortage of commercially attractive sites is unlikely to relieve the shortage of suitable land and is more likely to exacerbate it.
- Sheffield has about 14 ha of commercially attractive land available for strategic logistics. This is less than the findings in the Sheffield Logistics Report and largely due to some of the identified land being no longer available. This is comprised of three sites. Sheffield has an additional 34 ha comprised of seven sites which is less commercially attractive and less likely to come forward for strategic logistics.
- Rotherham has about 145 ha of land that could potentially accommodate strategic logistics. However, none of it is sufficiently commercially attractive to come forward for this type of development. This shows that Rotherham is highly unlikely to provide sufficient capacity to meet the needs to Sheffield, especially if Rotherham's own needs are taken into account.
- Barnsley and Doncaster combined have only 14 ha of employment land that is commercially attractive for strategic logistics development.

## 7.3. Conclusions

7.3.1. Our supply review demonstrates that the existing shortage of land to accommodate strategic logistics is likely to continue in Sheffield and the wider area because there is an insufficient quantum of commercially attractive land available.

7.3.2. Our review identifies about 14 ha in Sheffield and about 92 ha across the four key local authorities of commercially attractive land that is likely to come forward in the near term for strategic logistics. Many of the most attractive sites identified in Sheffield's Draft Local Plan or the plan documents of other local authorities are no longer available.

7.3.3. In Section 8, Savills have identified a need for 166 ha of land for strategic logistics. This not only exceeds all the land which could potentially accommodate strategic logistics in Sheffield but also the other three local authorities.

7.3.4. The Sheffield Logistics Study concludes that there is only about 14 ha of land available for strategic logistics. Savills own analysis of supply shows that the amount of land available is well below this level. The need is far greater as identified by our own analysis as well as that in the Council's identified need of 78.2 ha. The need for land to accommodate strategic logistics is already know to be unable to be met within Sheffield itself. However it is also highly unlikely that it can be met by the other local authorities in the area.

7.3.5. The Sheffield Logistics Study identifies a need for between 444.6 ha and 531.1 ha to accommodate strategic logistics across the four key local authorities. It is highly unlikely that the sites reviewed in this section are sufficient to meet this need, as only 92 ha across 7 sites are considered to be available and commercially attractive for large scale logistics. Whilst a proportion of the other remaining sites are likely to come forward to accommodate an element of strategic logistics, they do not represent a quantum that is of sufficient commercial attractiveness to meet the Council's identified need.

# 8. Savills Future Demand Estimates

## 8.1. Introduction & Summary

8.1.1. The purpose of this chapter is to estimate I&L land demand across SCR and Sheffield. We then apportion Sheffield demand to 100,000 sq.ft+ units only and then to B8 units only.

8.1.2. Based on Savills demand methodology, over a 17-year which reflects the Council's latest demand projections, we estimate overall demand for I&L in Sheffield to be 300 ha of land. This is over 65 ha above Sheffield's own identified demand. However, greater discrepancies arise when comparing need for large units, particularly for logistics (B8) premises. We estimate that about 193 hectares is for large I&L (B2 / B8) premises (greater than 100,000 sq.ft.) and about 163 hectare for large B8 units only. This is over twice the level identified by the Council. This is summarised in **Table 8.1**.

**Table 8.1 Comparison of Council's Identified Demand for Sheffield against Savills'**

| Employment Land Sector | Council's Identified Demand (ha) | Savills' Identified Demand (ha) |
|---|---|---|
| All I&L Land | 233.3 | 299 |
| All I&L Land for Large Units (greater than 100,000 sqft)* | 86.7 | 193 |
| All I&L Land for Large B8 Units (greater than 100,000 sqft) | 62.6 | 163 |

** Identified in the Logistics Study*

## 8.2. Savills Demand Methodology

8.2.1. We present below Savills' full methodology for estimating future I&L demand. Our methodology considered addresses the issues we raised against the ELR methods in **Section 5**.

8.2.2. Our methodology is compliant with the requirements of the Planning Practice Guidance ('PPG') as it:

- Analyses *'market signals, including trends in take up and the availability of logistics land and floorspace across the relevant market geographies'*.[48] If a market is identified as being supply constrained (i.e. demand exceeds supply) such as SCR, the Savills model supplements the historic demand profile accounting for suppressed demand (i.e. demand lost due to historic supply constraints).
- Applies *'economic forecasts to identify potential changes in demand and anticipated growth in sectors likely to occupy logistics facilities, or which require support from the sector'*.[49] For I&L, The Savills method quantifies how much floorspace growth is linked to current and future e-commerce growth which is the major growth driver for the sector, driving both demand for the supply-chain, and also the manufacturing of goods.

8.2.3. Based on the above, we consider the Savills model to represent industry best practice. It has been endorsed by the British Property Federation ('BPF') in our 'Levelling Up – The Logic of Logistics' report and was

[48] In accordance with PPG, Paragraph: 031 Reference ID: 2a-031-20190722

[49] Ibid

shortlisted for an RTPI Award for Research Excellence 2022. The BPF Industrial Board, who commissioned the report, consists of many of the major investors and thought leaders in the I&L sector including St Modwen, The United Kingdom Warehousing Association, IM Properties, Newlands Developments, Segro, GLP, Tritax Symmetry and the BPF itself. The report has also been referenced as part of the Government's recently published 'Future of Freight Plan' and has been the focus of several discussions with senior officers at DLUHC and DfT.

8.2.4. We take a sub-regional approach to estimating future I&L demand across SCR. Sheffield City, like all local areas is part of a wider sub-regional market and is subject to supply and demand forces which need to be assessed beyond its local authority boundaries. This is true for many commercial sectors, but it is particularly important for I&L occupiers which typically have distribution networks linking their customers and suppliers of between 1 to 4 hours travel time, sometimes longer, depending on their size i.e. up to 4 hours plus is more typical of very large companies with a national reach, while 1 hour drive time is ideal for the majority of companies. As discussed in Section 3, we consider SCR to be an appropriate market area for understanding the sub-regional demand profile of which Sheffield City is a part.

8.2.5. Our overarching approach to demand estimation considers the full market for I&L units, estimating demand for all unit sizes and relevant planning use classes covering light industrial, manufacturing and warehousing. This is considered a more robust approach as it relies on a larger pool of data and the fact light industrial, manufacturing and warehouse occupiers desire similar types of premises with similar locational characteristics. After running our model for the full I&L market, and apportioning it to Sheffield City, it is then possible to segment that demand for larger units above 100,000 sqft (9,000 sq.m) and the B8 uses specifically.

***Step 1: Estimating demand over the Local Plan period***

8.2.6. We adopt a 17-year estimation period which covers the Council's most recent presentation of their employment land need set out in their Draft Local Plan which is from 2022 to 2039.

***Step 2: Estimation of historic demand***

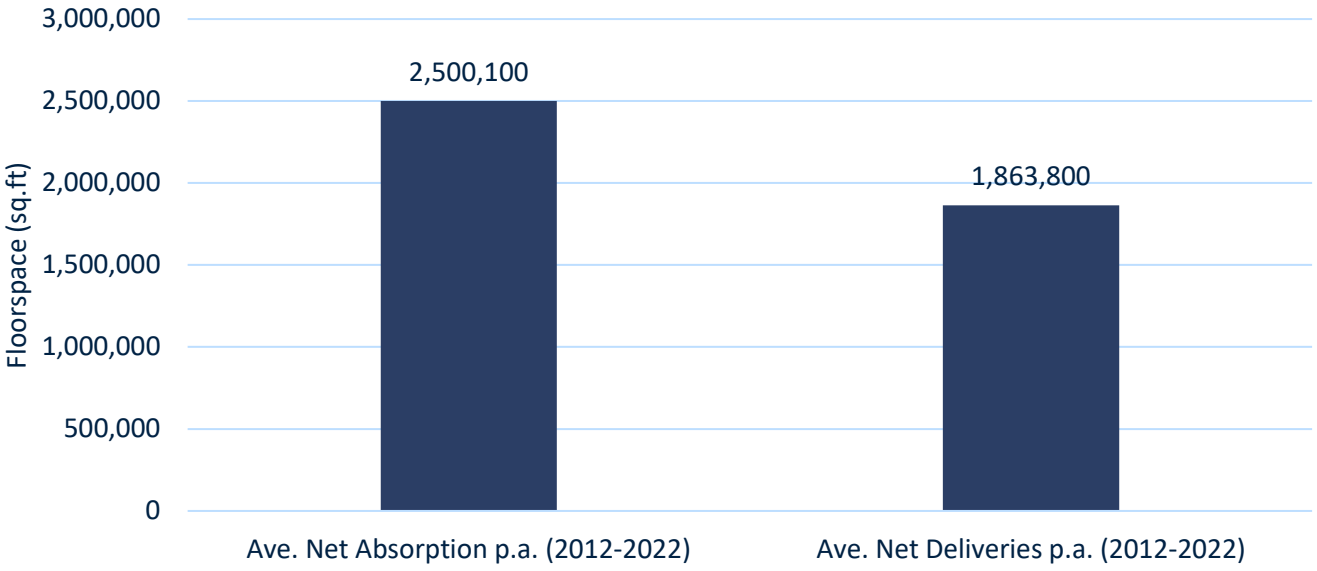
8.2.7. This is based on the average annualised net absorption for SCR (from **Section 6**) at about 2.5 million sqft per annum for the overall market (between 2012 and 2022). Savills considers net-absorption to be the leading measure of demand for floorspace as it indicates the quantum of net floorspace occupied over a period of time (i.e. move-ins minus move-outs) based on lease deals.

8.2.8. As discussed in **Section 5**, we do not consider labour demand forecasts nor the past development rate as accurate measures of future market demand. Labour demand models often reflect the restructuring of the economy away from industry towards services, but this does not imply equivalent restructuring of space. Changes to the industrial and warehousing market in particular mean that growth in floorspace/land is not accurately predicted by changes in jobs. Past development rates is another methodology used in the evidence base. However, this is a supply measure which primarily depends on new land being allocated as part of the local plan process followed by the grant of planning permission before new development is constructed. This is a lengthy process which explains why completions (new supply) typically lags demand (net absorption) as has been the case in Sheffield City and SCR.

8.2.9. Using net absorption rather than labour demand or past completions results in a higher historic demand

profile. For example, between 2012 and 2022 average annual net absorption for the overall I&L sector across the SCR was 34% greater than average net deliveries as shown in **Figure 8.1**.

**Figure 8.1 Average Net Absorption and Net Deliveries of All I&L Premises Per Annum 2012-2022**




*Source: CoStar (2023)*

***Step 3: Estimation of suppressed demand***

8.2.10. The rationale for accounting for suppressed demand is that when sufficient supply isn't available, demand cannot be accommodated. This is the top-up figure to be added to the historic demand (net absorption) trend to account for years when the market was supply-constrained.

8.2.11. Supply and demand are inextricably linked across all commercial property sectors. Put simply if demand exceeds supply rents typically rise more quickly as occupiers compete for limited available stock. This can have a number of wider implications. For example, new companies aren't able to move into a market area, nor are existing companies able to find new space if their floorspace needs change, for instance due to expansion. It may also happen that some existing local companies get priced out of the market as they can't afford the increasing rents. As a result, companies have to locate to areas that are not ideal in terms of serving their customer base, thereby increasing travel times and the costs of doing business, not to mention environmental impacts. The lack of supply may also mean companies are forced to occupy space that is not entirely suitable for their operational needs impacting productivity.

8.2.12. We describe a market where supply doesn't keep up with demand as being 'supply-constrained'. Limited supply in a strongly performing market means that demand cannot be fully satisfied, typically resulting in strong rental growth. Between 2012 and 2022, SCR's I&L rents increased by around 60%. This indicates new supply has struggled historically to keep pace with the strong demand. This is more than twice the rate of inflation (depending on the metric used) over the same period.

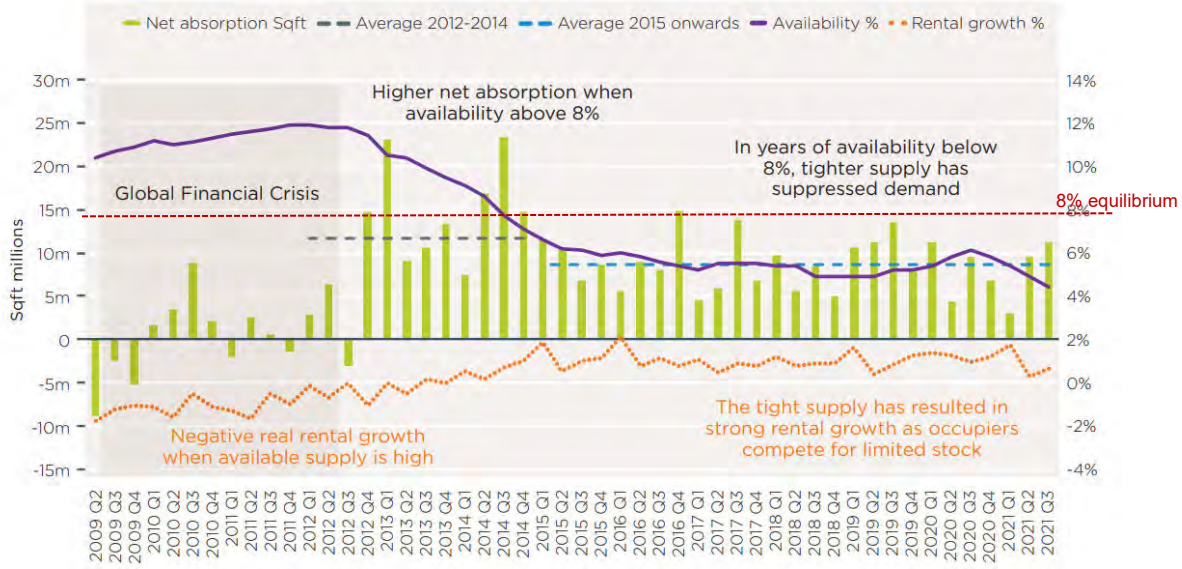
8.2.13. At the national level the market equilibrium level, where supply and demand are broadly in balance and rents are more stable, is around 8% availability. This benchmark rate is found in a number of prominent

publications such as the GLA's Land for Industry and Transport Supplementary Planning Guidance (SPG).

8.2.14. Using the England-wide I&L market as an example, if one studies real rental growth (i.e. rental growth adjusted for inflation) over the past decade and observes its relationship to availability, it becomes clear that rents tend to begin to grow strongly when availability is below 8%. This relationship is clearly illustrated in **Figure 8.2** below. When availability was above 8% between 2009 and 2014 real rental growth (net of inflation) was either negative or only slightly positive. This enabled demand to be accommodated as sufficient supply was available.

8.2.15. However since 2014, as availability dipped below 8% and has stayed below this level ever since at the England level, real rents have grown strongly year-on-year. During this period, net absorption has been lower than the 2009-2014 period despite the I&L sector going from strength to strength. This clearly shows the suppressing nature tight availability (below 8%) has had on I&L premises demand across England.

**Figure 8.2 Historic Net Absorption (Sq.ft.), Availability (%) and Real Rental Growth (%) in England**




*Source: CoStar, OBR, Savills*

8.2.16. The 8% benchmark is also applicable to SCR. Within SCR, I&L availability dropped below the 8% equilibrium level in 2014 (see **Section 6**, **Figure 6.2**), similar to the national market. In terms of I&L rents, the SCR began outpacing inflation from around 2014 when availability dropped below 8% (see **Section 6**, **Figure 6.6**), same as the national market.

8.2.17. The individual steps for calculating suppressed demand are as follows:

- Step 3a: For years where availability has been below the 8% equilibrium threshold, we calculate the quantum of floorspace necessary to achieve 8% availability (Column "Av. To EQ (sq.ft)" in **Table 8.2,** calculation F);
- Step 3b: We then take the average of the ratio between net absorption and available floorspace for every year over the past decade (Calculation E averages 40% for the overall I&L market based on Column "Net Absorption / Availability");

- Step 3c: We apply this average to the estimated floorspace required to reach 8% availability in each year where the market is below the 8% availability threshold to estimate each period's suppressed demand (Calculation F*E in Column "Suppressed Net Absorption (sqft)");
- Step 3d: We calculate average suppressed net absorption over the past decade. This give the annualised suppressed demand figure to be used as a top-up to the historic trend. The estimated overall average suppressed demand figure for SCR is about 1.3 million sqft per annum.

8.2.18. **Table 8.2** shows the relevant calculations.

**Table 8.2 Suppressed Demand Calculations for I&L in the SCR**

| | A | B | C=(A*B) | D | D/C | F=(E.Q.*-B)*A | F*E |
|---|---|---|---|---|---|---|---|
| Year | Inventory SF | Availability (%) | Availability (sq.ft) | Net Absorption (sq.ft) | Net Absorption / Availability | Availability to Equilibrium (sq.ft) | Suppressed Net Absorption (sq.ft) |
| 2022 | 135,129,883 | 3.4% | 4,594,416 | 2,879,562 | 63% | 6,215,975 | 2,482,066 |
| 2021 | 132,099,205 | 3.4% | 4,491,373 | 2,203,404 | 49% | 6,076,563 | 2,426,398 |
| 2020 | 131,173,548 | 5.7% | 7,476,892 | 1,746,633 | 23% | 3,016,992 | 1,204,698 |
| 2019 | 128,001,494 | 4.3% | 5,504,064 | 2,733,090 | 50% | 4,736,055 | 1,891,128 |
| 2018 | 125,819,143 | 4.8% | 6,039,319 | 2,953,751 | 49% | 4,026,213 | 1,607,684 |
| 2017 | 124,295,227 | 6.0% | 7,457,714 | 1,647,566 | 22% | 2,485,905 | 992,633 |
| 2016 | 120,858,517 | 4.5% | 5,438,633 | 3,102,775 | 57% | 4,230,048 | 1,689,077 |
| 2015 | 118,267,909 | 4.8% | 5,676,860 | 1,860,040 | 33% | 3,784,573 | 1,511,197 |
| 2014 | 117,090,568 | 6.1% | 7,142,525 | 4,180,449 | 59% | 2,224,721 | 888,341 |
| 2013 | 116,462,102 | 9.5% | 11,063,900 | 2,330,850 | 21% | -1,746,932 | 0 |
| 2012 | 116,150,559 | 11.4% | 13,241,164 | 1,863,270 | 14% | -3,949,119 | 0 |

E = Average

Suppressed Demand = Average

*Source: Savills; CoStar*

- Step 3e: The final step requires adding the combined annualised historic and suppressed demand figures, and multiplying this by the number of years in the estimated period (17-year period) as shown in **Table 8.3**. This gives total overall floorspace demand for I&L of 65.2 million sq.ft over the 17-year plan period.

**Table 8.3 Demand Forecasts Based on Historic and Suppressed Demand**

| | Overall I&L Demand (Sq.ft) |
|---|---|
| (A) Annualised historic demand | 2,500,100 |
| (B) Annualised suppressed demand | 1,335,700 |
| (C) Total annualised demand (A+B) | 3,835,900 |
| (D) Total demand over 17 years | 65,209,900 |

*Note: Figures may not add up due to rounding*
*Source: Savills (2022)*

***Step 4: Adjusting for increases in online retail***

8.2.19. As discussed in **Section** 4, there are a number of factors driving future growth in demand for I&L premises which are not captured by projections based on employment change/labour demand or historic net change in stock. Attempting to factor them all in is a challenging exercise prone to errors and overestimation due to the uncertainty around major events such as Brexit and the risk of double counting the impacts of different growth factors. The strongest growth drivers are population growth and the move to online shopping, which the Covid-19 pandemic has accelerated. We consider demand arising from population growth to be largely captured by increases in online sales which are a function of household spending and household growth. For this reason, in our work we focus on the move to online shopping.

8.2.20. In order to estimate future increases in demand for I&L premises linked to e-commerce growth, we first need to establish the share of demand that has historically been linked to e-commerce and then determine how much higher this is likely going to be in the future. The sectors which are typically linked to e-commerce are Retail, Transport and Warehousing and Wholesale, with these sectors accounting for 49% of all industrial floorspace leased in SCR between 2011 and 2021.

8.2.21. We have considered Forrester's[50] online retail forecasts for the UK to 2025 and compared the annual increase in online spending over this period to that seen over the last 10 years. As shown in **Table 8.4**, between 2011 and 2019 online retail sales increased at an average rate of £5.95 billion per annum. 2020 marked a departure from the historic trend, bringing total online sales above £100 billion, up from £79 billion in 2019 (a £26 billion annual increase). If we accept that 2020 and 2021 were exceptional years due to the Covid-19 pandemic and exclude them from our calculations, and focus on the period between 2022 and 2025, online sales growth is predicted to average £9.86 billion per annum. This suggests a 66% uplift from the 2011-2019 trend.

[50] A prominent retail forecasting house

**Table 8.4 UK Online Sales Forecasts (£ million)**

| Year | Online Sales (£m) | Annual Increase (£m) | |
|---|---|---|---|
| 2011 | £29,946 | +£4,337 | 2011-2019 Average Annual Increase +£5,950 million |
| 2012 | £34,417 | +£4,471 | |
| 2013 | £38,908 | +£4,491 | |
| 2014 | £43,905 | +£4,997 | |
| 2015 | £49,212 | +£5,307 | |
| 2016 | £56,549 | +£7,338 | |
| 2017 | £64,505 | +£7,955 | |
| 2018 | £72,014 | +£7,509 | |
| 2019 | £79,157 | +£7,143 | |
| 2020 | £104,827 | +£25,670 | Excluded from calculations as these were atypical years due to the Covid-19 pandemic |
| 2021 | £122,831 | +£18,003 | |
| 2022 | £134,005 | +£11,174 | 2022-2025 Average Annual Increase +£9,860 million (+66% uplifted compared to 2011-2019) |
| 2023 | £143,267 | +£9,262 | |
| 2024 | £152,722 | +£9,455 | |
| 2025 | £162,271 | +£9,549 | |

*Source: Forrester, Savills*

**8.2.22.** Applying this 66% uplift to the historic and suppressed demand from e-commerce sectors equates to an uplift of about 21 million sqft for the SCR for I&L premises over the 17-year timeframe used by the Council (2022-2039) (**Table 8.5**).

**Table 8.5 Adjusting for Current and Future Increases in Online Retail within the PMA**

| Demand | Demand for I&L Premises (sqft) | Over 17 Years of Period of the Council's Evidence Base for the Draft Local Plan (sqft) |
|---|---|---|
| E-commerce related (49% of historic + suppressed) (sqft) | 1,878,400 | 31,933,400 |
| E-commerce related after 66% uplift (sqft) | 3,113,000 | 52,920,400 |
| E-commerce demand uplift (sqft) | 1,234,500 | 20,987,000 |

*Source: Savills (2023)*

***Step 5: Savills Estimate of Future Demand across the SCR***

8.2.23. Adding the e-commerce uplift to the combined historic and suppressed demand estimates for the I&L sector yields a total demand of about 86.2 million sqft for the SCR over the 17-year plan period. This is summarised in **Table 8.6**.

**Table 8.6 Summary of Future Demand within the SCR (2022 to 2039) (sq.ft.)**

| | I&L |
|---|---|
| (A) Historic Demand (Net Absorption) over 17 years (sqft) | 42,502,100 |
| (B) Suppressed Demand over 17 years (sqft) | 22,707,700 |
| (C) E-commerce Uplift (sqft) | 20,987,000 |
| **(D) Total demand over 17 year plan period (A+B+C) (sqft)** | **86,196,900** |

*Source: Savills (2022)*

8.2.24. As discussed above, the ELR uses a plot ratio of 40% to translate floorspace to land needs. Using a 40% plot ratio results in demand for **2,002 ha** of land for I&L uses in SCR.

***Step 6: Savills Estimate of Future Demand in SCR apportioned to Sheffield City***

8.2.25. Within this section we seek to apportion the Savills' SCR-wide demand estimates to Sheffield City. This can be done in a number of different ways as follows:

- Based on Sheffield City's historic proportion of average demand between 2012 and 2022; or
- Based on Sheffield City's historic proportion of average net deliveries of new I&L floorspace between 2012 and 2022, or
- Based on Sheffield City's current proportion of total I&L stock in the SCR

8.2.26. The results of this comparison are detailed in **Table 8.7** below indicating Sheffield City's future I&L demand equates to between **9.2 million sqft and 19.8 million sqft**.

8.2.27. Savills considers it appropriate to take an average of the three indicators to apportion SCR-wide demand to Sheffield City. This results in an apportionment level of 15%, indicating that Sheffield City's future I&L demand equates to **12.9 million sqft over the 17-year Plan Period or 299 ha** using a 40% plot ratio. This is significantly higher than the 233 ha estimated in the ELR.

**Table 8.7 Sheffield City's I&L market share of SCR – floorspace (sqft) and land (ha)**

| | Sheffield City % of SCR | Sheffield City Floorspace Requirements (sqft) | Sheffield City Land Requirement (ha) |
|---|---|---|---|
| **Ave. Net Absorption (2012-22)** | 11% | 9,615,000 | 223 |
| **Ave. Net Deliveries (2012-22)** | 11% | 9,245,900 | 215 |
| **I&L Inventory (2023 YTD)** | 23% | 19,757,800 | 459 |
| **Average** | 15% | 12,872,900 | 299 |

*Source: CoStar, Savills*

***Step 7: Savills Estimate of Future Strategic I&L Demand in Sheffield City (100,000 sqft+)***

8.2.28. As discussed at the beginning of this section, our approach is to first consider overall I&L demand regardless of units size of planning use class. This is because using a larger pool of data allows for a more accurate assessment of market trends and the fact light industrial, manufacturing and warehouse occupiers desire similar types of premises with similar locational characteristics. We have then segmented the total demand to estimate strategic I&L floorspace demand for units above 100,000 sq.ft (9,000 sqm) in SCR.

8.2.29. As above, we have considered a number of indicators to apportion demand within the 100,000 sq.ft+ segment based on CoStar data. These consist of:

- The current proportion of 100,000 sq.ft+ inventory in SCR relative to SCR's total I&L inventory;
- The proportion of 100,000 sq.ft+ average demand per annum (net absorption) between 2012 and 2022 in SCR relative to total I&L demand in SCR; and
- The proportion of 100,000 sq.ft+ average net deliveries of stock per annum between 2012 and 2022 in SCR relative to total I&L deliveries in SCR.

8.2.30. The metrics above consider the large unit market share in SCR rather than in Sheffield City as demand forces are best captured at this wider regional level. Capturing these forces at Sheffield City only would risk to perpetrate existing and historic supply constrains that have restricted the growth in large I&L units.

8.2.31. The results of these comparisons are detailed in **Table 8.8** below. Inventory gives the lowest metric at a 58% share, while demand (net absorption) and new supply (net deliveries) over the last decade are higher at 63% and 72% respectively.

8.2.32. Based on the average of these metrics, we assume that 100,000 sq.ft+ units will account for 64% of future I&L demand across Sheffield City. This equates to **8.3 million sqft or 193 ha** over the 17-year plan period.

**Table 8.8 100,000 sq.ft I&L Market Share Across SCR**

| | SCR Total | SCR 100,000 sq.ft+ | 100,000 sq.ft+ (%) |
|---|---|---|---|
| **Average Net Absorption p.a. (2012-2022)** | 2,500,126 | 1,575,039 | 63% |
| **Average Net Deliveries p.a. (2012-2022)** | 1,863,845 | 1,351,076 | 72% |
| **Inventory (2023 YTD)** | 135,129,883 | 78,352,243 | 58% |
| **Average** | | | 64% |

*Source: CoStar, Savills*

***Step 7: Savills Estimate of Future Strategic B8 Demand in Sheffield City (100,000 sqft+)***

8.2.33. The figure above figure includes light industrial, manufacturing and warehousing (i.e. all I&L units above 100,000 sqft). To finally apportion demand to Sheffield City's B8[51] 100,000+ sqft units, we consider the below metrics with SCR 100,000 sqft+ market segment:

- SCR's proportion of B8 average demand per annum (net absorption) between 2012 and 2022 relative to overall I&L uses,
- SCR's proportion of B8 average net deliveries of stock per annum between 2012 and 2022 relative to overall I&L uses, and
- SCR's current proportion of B8 inventory relative to overall I&L uses.

8.2.34. As already explained in **Step 6**, the metrics above consider the B8 share in SCR's large unit segment rather than in Sheffield City's as demand forces are best captured at this wider regional level. Capturing these forces at Sheffield City only would risk to perpetrate existing and historic supply constrains that have restricted the growth in large B8 units..

8.2.35. The results of these comparisons are detailed in **Table 8.9** below. Inventory gives the lowest metric at 68%, while demand (net absorption) and new supply (net deliveries) over the last decade are higher at 94% and 93% respectively.

8.2.36. Based on the average of these metrics, we assume that B8 100,000 sq.ft+ units will account for 85% of future 100,000 sqft + demand across Sheffield City. This equates to 7 **million sqft or 163 ha** over the 17-year plan period

[51] To define B8 we have used the following CoStar secondary uses: Distribution, Light Distribution, Refrigeration/Cold Storage, Telecom/Data Hosting, Truck Terminal, Warehouse, and Showroom.

**Table 8.9 SCR B8 Market Share (100,000+ sqft)**

| | B8 % |
|---|---|
| **Average Net Absorption p.a. (2012-2022)** | 94% |
| **Average Net Deliveries p.a. (2012-2022)** | 93% |
| **Inventory (2023 YTD)** | 68% |
| **Average** | 85% |

## 8.3. Conclusions

8.3.1. Based on Savills demand methodology, over a 17-year plan period, we estimate demand for 2,002 ha of land for I&L uses across the SCR.

8.3.2. Within Sheffield specifically, demand is estimated to be 299 ha over the same period using a 15% apportionment rate, well above the estimate of 233 ha in the Council's ELR.

8.3.3. We have also segmented the total demand specific to strategic I&L floorspace (above 100,000 sq.ft ) within Sheffield. Over the 17-year plan period, the results are:

- 193 ha of land for all I&L units (i.e. light industrial, manufacturing and warehousing); or
- 163 ha specific to B8 uses only. This is over twice the level identified by the Council.

# 9. Economic & Employment Benefits

## 9.1. Introduction

9.1.1. This section presents the estimated gross economic benefits and social value that is expected to be generated by the Proposed Development.

9.1.2. In terms of economic benefits the scheme would generate new employment during the construction and operational stages. It would also generate Gross Value Added (GVA), and business rates for Sheffield City Council.

9.1.3. The new employment generated during the operational employment will include managerial roles, most of which require highly qualified and skilled employees. Office roles have also been included, for which there would be a range of differing skill levels, with most of them requiring some level of training or experience. Additionally, there are other job roles which would also consist of some skilled activities as well. The proportion of these skilled roles out of the total employment has been calculated by splitting and categorising these type of jobs.

9.1.4. In relation to social value, the Proposed Development would help to create apprenticeships, NHS savings from any reduction in unemployment, and support local businesses through local procurement during the construction stage.

## 9.2. Land Use

9.2.1. The land use consists of 95,237 sqm (1,024,800 sqft) GIA of warehouse floorspace, measured and calculated as the B8 use type in our assessment.

## 9.3. Construction Employment Benefits

9.3.1. To calculate construction jobs generated by the proposed scheme, we have used a construction cost estimate and data on the output per construction worker in Sheffield City. An estimate for duration was then calculated from BCIS, with applied contingencies and consideration for the construction period, projected at 2 years.

9.3.2. We estimate that the construction phase will generate around 656 onsite construction job years over the duration of the construction process. Assuming a 2 year construction period this equates to an average of 330 FTE gross construction jobs per annum for the proposed scheme (rounded to the nearest 10). This is referred to in the Additionality Guide (HCA, 2014) as the 'gross direct' employment and can be considered as the average number of workers on-site during the construction period. The precise number will depend on the phase of work and specific construction activities on-site. During the peak of construction activities, the on-site workforce is expected to be larger.

9.3.3. We have also estimated how much of this employment is likely to be taken up by residents of Sheffield City. We assume that 34% of the construction workforce will live outside Sheffield City. We allow for a low level of displacement (25%) from existing construction projects this is based on the Additionality Guide (HCA, 2014) recommendations and market reports . The construction multiplier (1.6) has been adjusted, as per the HCA additionality guide, to capture the locally generated multiplier effects. This is based the on national

multiplier for construction of 2.18 which provides an estimate for the indirect construction employment effects (offsite benefits down the supply chain).

9.3.4. **Figure 9.1** presents the economic benefits expected to be generated from the Proposed Development.

**Figure 9.1 Estimated Economic Construction Benefits of Proposed Development**


**Table 9.1: Estimated Construction Phase Jobs**

| | Proposed Scheme |
|---|---|
| **Gross Direct Construction Jobs per annum** | 328 |
| *Leakage (34%)* | -111 |
| **Onsite Jobs (for residents of Sheffield)** | 216 |
| *Displacement (25%)* | -54 |
| *Multiplier (2.18)* | 99 |
| **Offsite Construction Jobs** | 45 |
| **Net Direct and Indirect Construction Jobs per Annum (rounded)** | **261** |

*Source: Savills, 2022. Figures may not add up due to rounding.*

## 9.4. Operational Employment Benefits

9.4.1. We estimate the proposal would generate a total of 1,166 gross on-site jobs of which around 653 jobs would be taken by residents of Sheffield City. We assume that for leakage, 44% will live outside Sheffield City, and for displacement, we assume a low level (25%) based on the Additionality Guide (HCA, 2014) recommendations and market reports. Multiplier effects have been considered as for the B8 use of Warehouse/Storage/Distribution at the national level (1.65), this has been adjusted (1.22) to capture locally generated effects. Once these effects have been considered, the proposed scheme is estimated to generate 599 FTE on and off-site jobs for residents of Sheffield City.

**Figure 9.2 Estimated Economic Operational Benefits of Proposed Development**


**Table 9.2: Estimated Operational Phase Jobs**

| | Proposed Scheme |
|---|---|
| **Gross Direct Operational Jobs per annum** | 1,166 |
| *Leakage (44%)* | -513 |
| **Onsite Jobs (for residents of Sheffield)** | 653 |
| *Displacement (25%)* | -163 |
| *Multiplier (1.65)* | 109 |
| **Offsite Operational Jobs** | -54 |
| **Net Direct and Indirect Operational Jobs per Annum (rounded)** | **599** |

*Source: Savills, 2022. Figures may not add up due to rounding.*

9.4.2. Prologis has carried out industrial sector research regarding the type of jobs that are present within these warehouses, and the proportions that have changed over the years. They have summarised job categories into 5 categories; warehouse operatives, drivers, managerial roles, office workers, and 'other'. The 'other' category consists of engineering or any other repair/maintenance based activities.

9.4.3. Using data from Prologis on the proportions of different types of jobs within the logistics sector, we have estimated the distribution of different jobs across the total, gross on-site jobs figure of 1,166.

**Table 9.3 Operational Job Type Split**

| Job Type | Proportion of Employees (%) | Number of Employees |
|---|---|---|
| Managerial Roles | 5% | 58 |
| Office Roles | 25% | 292 |
| Warehouse Operatives | 49% | 571 |
| Drivers | 8% | 93 |
| Other | 13% | 152 |
| **Total** | **100%** | **1,166** |

*Source: Savills, 2022, Prologis 2019, 2011. Figures may not add up due to rounding.*

9.4.4. Using the mixed employment proportions, we can estimate that up to 43% of total warehouse operational employment will have a mix of adept employees and some less trained. This 43% figure is comprised of managerial, office, and other roles which would have a range of skill throughout due to these categories

containing specialised workers.

## 9.5. GVA Benefits

9.5.1. GVA is an indicator of wealth creation, that measures the development proposals' contribution to the economy. We have based our estimates on the GVA generated per worker in Yorkshire & the Humber and the estimated number of operational jobs using the Industry Labour Productivity by Region (2019) . We used Industry H (Transportation & Storage) for Yorkshire & the Humber from 2019.

9.5.2. The projected figure results in an additional GVA increase of **£44 million**.

## 9.6. Business Rates Revenue

9.6.1. To estimate business rates, we have assessed the rateable values of similar uses to the assumed uses within the B8 floorspace of the Proposed Development. This was achieved using current information from the Valuation Office Agency (VOA). (New valuations for the sector will come into effect in April 2023 which is expected to significantly increase the amount of business taxes generated by the Proposed Development.)

9.6.2. The proposed scheme is expected to generate total business rates of around £2 million per annum for Sheffield. This figure represents an estimate of current total business rates generated. About half of the total business rate revenues would continue to be retained by the local government. However, this depends on decisions on rate retention and re-appointment in the future; the amount retained locally could increase. Based on current assumptions, Sheffield City Council can expect to receive **£1 million per annum**. However this is expected to increase significantly after new rates are introduced in April 2023.

**Figure 9.3 Estimated Business Rates Revenue for Proposed Development**

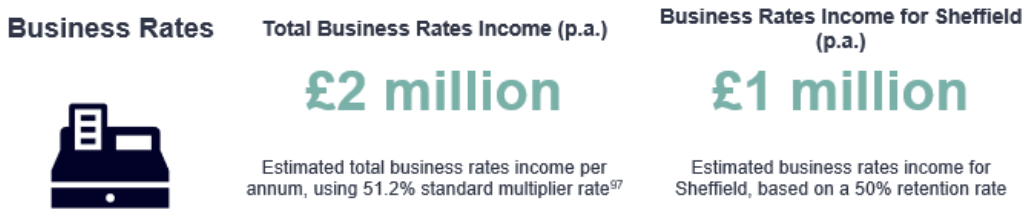
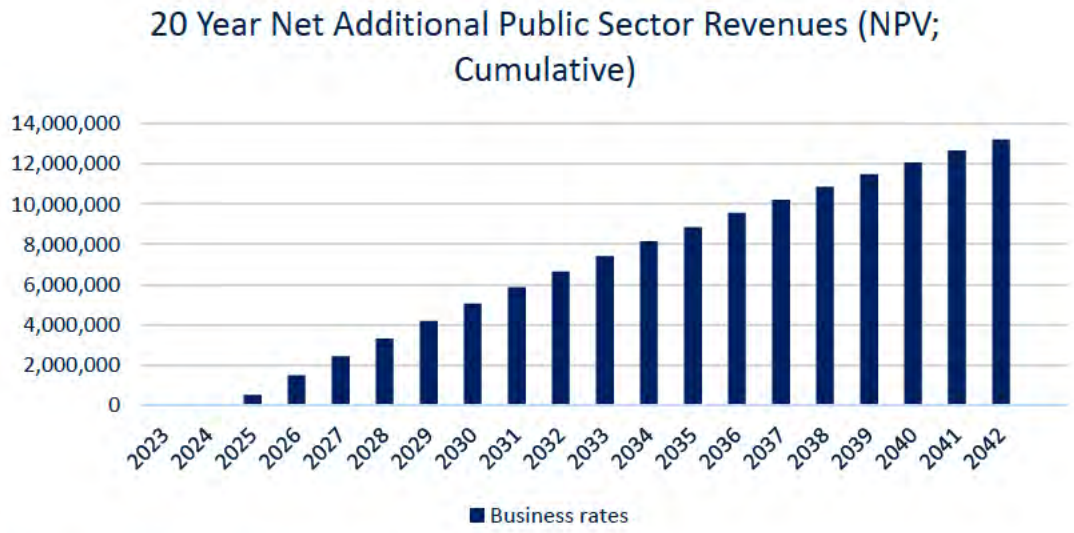


**Figure 9.4 Cumulative Business Revenues**




**Cumulative Business Rates Income (to 2042) – Sheffield**

**£13.6 million**

## 9.7. Social Value

9.7.1. **Figure 9.5** presents the estimated social value of the Proposed Development covering apprenticeships, careers advice, NHS savings from people in employment, upskilling, and supporting local businesses. We primarily use CITB's and the National Skills Academy for Construction (NASfc) Client Based Approach to Developing and Implementing an Employment and Skills Strategy on Construction Projects (2016) as well as the National Social Value Measurement Framework to estimate social value.

**Figure 9.4 Estimated Social Value of Proposed Development**

**Apprenticeships**

**£108,635**

Estimated social value of apprenticeships (11) delivered during the assumed construction period (2 years)

**Qualifying the Workforce**

**Construction Careers Information, Advice & Guidance Events**

**£30,000**

Estimated total social value of Construction Careers Information, Advice & Guidance Events (6 events)

**Supporting Local Businesses**

**NHS Savings from Unemployment Reduction**

**£95,500**

Estimated NHS savings assuming that expenditure on unemployed persons is double the average NHS expenditure[52] during the construction period (2 years)

**Total Social Value**

[52] Oxford Economics Cost-benefit analysis for the Department for Work and Pensions (2010).

**£320,000**

Estimated total social value of Qualifications achieved (equiv. NVQ2 or above)

**£9.5 million**

Estimated total value of local procurement during the construction period (2 years) assuming 10% of all monies spent locally

**£10.2 million (NPV)**

## 9.8. Summary of Economic Benefits & Social Value

9.8.1. **Table 9.4** presents a summary of the above estimated economic benefits and social value expected to be generated from the Proposed Development.

**Table 9.4 Summary of Estimated Economic Benefits and Social Value of Proposed Development**

| Economic Benefit/Social Value Metric | Value |
|---|---|
| ***Economic Benefits*** | |
| On-site and off-site construction jobs for Sheffield Residents | 261 per annum over 2-year construction period |
| On-site and off-site operational jobs for Sheffield Residents | 599 |
| GVA | £44 million per annum |
| Business rates for Sheffield | £1 million per annum |
| Cumulative Business Rates Income for Sheffield to 2042 | £13.2 million |
| ***Social Value (over 2-year construction period)*** | |
| Apprenticeships | £108,635 |
| Construction Careers Information, Advice & Guidance Events | £30,000 |
| NHS savings from unemployment reduction | £94,500 |
| Qualifying the workforce | £320,000 |

| Economic Benefit/Social Value Metric | Value |
|---|---|
| Supporting local businesses | £9.5 million |
| **Total social value (NPV)** | **£10.2 million** |

# 10. Conclusions

10.1.1. This report concludes that Hesley Wood provides the Council will its most compelling opportunity to address its chronic shortage of employment land for large scale logistics identified in its evidence base. Our analysis of the Council's evidence base demonstrates there is insufficient capacity either in Sheffield or across the wider area to meet its need for employment land, particularly for large scale logistics. This is having a detrimental impact on the local economy and the prospects for higher levels of growth.

10.1.2. Hesley Wood is a 44.5 hectare site that is potentially one of the only large, commercially attractive I&L development sites for the logistics sector remaining in Sheffield. The site has near-direct access to Junction 35 of the M1 and its development would significantly address Sheffield's acute shortage of employment land with its capacity to deliver modern, large scale I&L premises within the City.

10.1.3. This report's review of the Council's evidence base and policies shows that the underlying analysis is fragmented, lacks sufficient transparency and employs flawed methodologies. Even though the Council's own analysis concludes there is a considerable deficit of employment land for the I&L, the information and analysis is insufficient to demonstrate that its conclusions are robust. And in spite of what both Sheffield and Savills identify as a significant deficit in the employment land supply, the Council concludes with little evidence or commitment that it could be met by employment land in neighbouring local authorities. Savills own analysis demonstrates that there are a limited number of sites in either Sheffield or the wider area to address this need and that additional land will be inevitably required.

10.1.4. To underline the crux of the problem which is inherent in the latest version of the Draft Local Plan, Draft Policy SP 1: Overall Growth Plan states that nearly 13 hectares of employment land will be delivered annually within Sheffield itself until 2039. This is equivalent to more than 219 hectares. However the Council's identified supply shows that it has only allocated about 146 hectares. And the Draft Local Plan states that there is 171 hectares. (It is unclear how much of the 171 hectares is comprised of extant permissions because the Council has not made this available.) This points to a deficit identified by the Council's evidence of at least 48.3 hectares (although our evidence shows that it is much greater). Much of the land identified by the Council is either commercially unattractive, already developed and unavailable, or permitted to accommodate non-employment uses (in the case of sites for General Employment). The result will inevitably be that Sheffield's chronic shortage of employment land will continue unless more land is allocated.

10.1.5. Whilst the Council's estimate of need identifies a large deficit, our own assessment of the evidence base shows that the Council's approach to calculating need results in a significant underestimate (and therefore an even greater deficit). We explain the limitations of the methodologies in Section 5 but our gravest concern is that the Council's forecasts do not sufficiently account for the effects of the historic undersupply nor account for the current and future growth drivers of I&L premises.

10.1.6. Savills own estimate of Sheffield's need for employment land is based on a methodology that accounts for historic suppressed demand arising from the endemic shortage of available premises. We estimate overall demand for I&L in Sheffield to be 300 ha of land which is more than 65 ha above Sheffield's own identified demand. But even greater discrepancies arise when comparing the need for large I&L units, particularly for logistics. We estimate that about 193 hectares is needed for large I&L (B2 / B8) premises (greater than 100,000 sq.ft.) and about 163 hectares for large logistics units. This is more than twice the level identified

in the Council's evidence base.

10.1.7. Sheffield's problems in meeting its identified need becomes are more acute than suggested above when the amount of available and allocated land for logistics is critically assessed. Our detailed review identifies only 14 ha in Sheffield and about 92 ha across the four key local authorities in the region that is commercially attractive land likely to come forward for logistics over the period of the Draft Local Plan. Many of the most attractive sites identified in Sheffield's Draft Local Plan or the plan documents of other local authorities have already been developed. Other sites are simply unlikely to come forward because they aren't sufficiently commercially attractive.

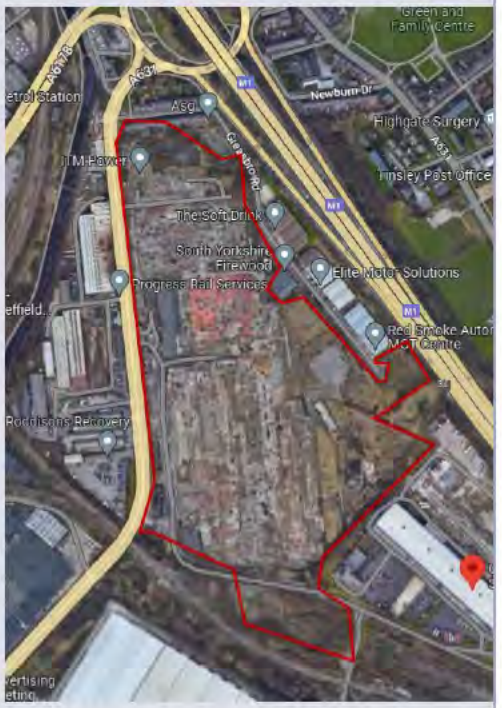
10.1.8. Hesley Wood provides the Council will the most compelling opportunity to address the chronic shortage of employment land for large scale logistics identified in its evidence base. In addition, it would deliver considerable on-site and off-site employment for residents of Sheffield, GVA per annum of approximately £44 million and at least £1m per annum in business rates.

# Appendix 1

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| **Sheffield** | | | | | | |
| 1 | **Mosborough Wood Business Park, S20 3GR** | 7.90 | Site is 8 km from M1 J30 and M1 J31. Proposed for I&L in draft local plan. Brownfield. Sensitive uses to the south and in wider area. Generally B2 location. | Likely to be delivered over the longer term. Not a highly attractive location with sensitive uses. Would not be suitable for establishment of a strategic site. Was recently marketed by landowner but there was no commercial interest in bringing it forward. Available but unclear when/if it will come forward. | 2 |  |
| 2 | **Darnall Works, S9 5AB** | 2.00 | The site is fragmented and active use. Remediation likely to be required. Located in a dense mixed use area with sensitive uses. Road access is poor. Site is a proposed allocation. | Not commercially attractive for strategic development. There is only limited land remaining. | 1 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 3 | **River Don District, S9 2TE** | 16.60 (4.2 for logistics) | The site is less than 1 km from the M1 J34. Adjacent to existing industrial and commercial uses. Mostly vacant, brownfield land. Reasonably good access to the SRN. A planning application for B2/B8 uses has been approved and phase 1 has consent on reserved matters. | Surrounded by the River Don and existing B2 uses. The site could accommodate some logistics. The Logistics Report says that only 4.2 hectares would be appropriate for logistics use. This is too small an amount for it to be a strategic logistics site. | 3.5 |  |
| 4 | **Beeley Wood**, S6 1QT | 4.90 | The site is about 5 km from the M1. It is partly used for B2/B8. It is partly occupied and brownfield. The site is poorly located on the western edge of Sheffield. The M1 is difficult to access. It is surrounded by woods to the south. Planning has been granted. | The site is on the 'wrong' side of Sheffield for strategic logistics activity. Brownfield land with indirect access to local roads. Would be expensive to open up the site to logistics activity. Likely to have substantial development challenges due to levels. Longer term development opportunity. | 2.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 5 | **Land at Blackburn Road, S61 2DW** | **11.12** | The brownfield site is less than 1 km from M1 J34. It is located close to an existing industrial estate. Allocated for General Employment in the Local Plan which could include B8. Proximity to M1 but access compromised by poor access due to two low bridges along Fife Street. Also located in a flood zone. The site is narrow and awkwardly shaped. Development would require new infrastructure investment. Planning has been granted. | Site has a good location but is of an awkward shape and compromised access. Unlikely to come forward for strategic logistics activity. More likely for piecemeal B2/B8 use. Longer term development opportunity. Commercial attractiveness would increase with access improvements. | 2 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 6 | **Former Outokumpu Site, S9 1US (Bessemer Park)** | 11.00 (4.00 for logistics according to Logistics Study) | The site is less than 1 km from M1 J34 south. It sits within an existing industrial park for B2/B8 uses. The site is nearly completely delivered. Phase 1 is fully let; Phase 2 is under construction. The site is of fairly regular shape with direct access to M1 J34. 4.00 ha is available for logistics uses according to Logistics Study but current application provides 600,000 sqft of spec logistics development. | A large, commercially attractive site with excellent access to the M1. Well positioned to be a strategic logistics site. However, only 4ha is being made available for this use as per the Logistics Study. Given that the site is nearly delivered, **it is available for near-term demand and cannot be relied upon to deliver additional floorspace until 2039.** | 4 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 7 | **Shepcote Lane, S9 1US** | 6.58 | The site is less than 1 km from M1 J34. It sits within an existing industrial park for B2/B8 uses. It would have excellent access to the M1 via the A631. A detailed application for site redevelopment includes demolition of an existing building, land reprofiling, and construction of a B8 unit with associated infrastructure and access roads. | The site is under construction and will be completed in Q3 2023 for about 367,000 sqft. **It will not be available for the longer term.** | 4 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 8 | **Smithywood, Chapeltown, S35 1SN** | 3.55 | The site is less than 1 km from M1 J35. It sits within an existing cluster of B2/B8 units. It is partially developed. Given the site level challenges, the site's capacity is limited. The site is a proposed allocation for general storage and logistics. It benefits from a planning permission. The site is large and suitable for B8 uses. It has two plots remaining comprising 3.55 hectares. | The site is commercially attractive although it has limited capacity due to level changes. It can be delivered in the near term. It currently has two plots remaining and is ready to develop. | 4 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 9 | **Alsing Road Car Park and Meadowhall Interchange, S9 1EA** | 9.98 (only 2.8 for logistics) | The site is located adjacent to M1 J34. The site is near existing commercial and industrial units. It is proposed for allocation for General Employment. Although it is in a good location between junctions, it is in use as a car park and there might be a need to find a substitute car park elsewhere. The logistics reports says that only 2.00 ha is available for logistics uses. | The site is commercially attractive and highly deliverable but is limited for strategic logistics at just 2.8 ha. | 3 |  |
| 10 | **Europa Link,** S60 5BD | 2.7 | The site is just over 1 km from M1 J34 south and M1 J33. It is suitable for a variety of I&L uses and is allocated for B2/B8 development. The site contains obsolete industrial premises that would need to be demolished. | Reasonably good location with access to the strategic road network. The site would require redevelopment and has capacity to deliver a single large logistics unit. | 3 |  |
| **Rotherham** | | | | | | |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 11 | **Fullerton Road, S60 1DL** | 6.50 | The site is less than 2.5 km from M1 J34. It sits within an existing cluster of B2/B8 units. It is brownfield land. It benefits from planning permission but has limited capacity. | Whilst some distance from the M1, it has direct access to the SRN and appears deliverable. It's limited capacity means that it cannot accommodate a new cluster of strategic logistics uses being limited to just 1 or 2 large units. | 3.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 12 | **Interchange Park, S66 8PU** | 2.3 | The site is adjacent to J1 of the M18 which provides good access to the M1. It is located across the A631 from an existing cluster at Panattoni Park Rotherham. The site is large enough to enable development of a cluster of new logistics although there are sensitive uses in the vicinity. There are two plots which are expected to be completed this year. The larger plot is for 630,000 sqft to be let to AAG. The smaller plot is to deliver a unit of about 80,000 sqft. | Large, commercially attractive site with good access. Site narrows close to the junction and there are some sensitive uses in the vicinity. The remaining available land is about 2.3 ha which will accommodate an 80,000 sqft unit. This is too small to accommodate what is considered to be strategic logistics. | 2 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 13 | **Vector Thirty One West, S26 5PF** | 8.69 | The site is 2 km from M1 J33 and has reasonably good access to the SRN. It is located near an existing cluster of B2/B8 units. Its awkward shape limits the size of the units to up to 50,000 sqft. The site also has ground issues. | Moderately sized, reasonably well-located site but is unable to accommodate units greater than 50,000 sqft due to its shape. Therefore not feasible for delivery of strategic logistics. | 1 |  |
| 14 | **Whittle Way, S60 8BP (R-evolution Phase 4)** | 6.73 | The site is 2.5 km from M1 J33. It has good access to the SRN leading to the junction. It is located within the AMID. It is known as R-evolution | Good sized plot but masterplan is for units up to 11,000 sqft. There is one remaining plot that could accommodate a unit of 20,000 sqft. Therefore this site will not be for strategic logistics. | N/A |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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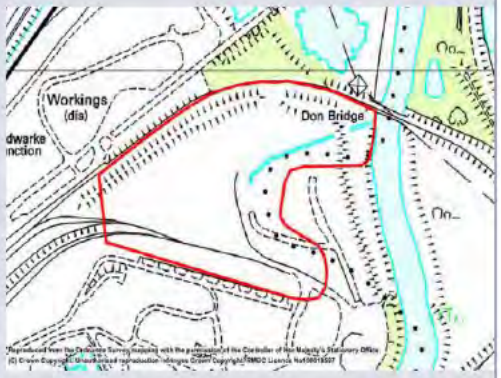
| **15** | Off Centenary Way / Bawtry Road, S60 2XG | 6.65 | The site is 1.5 km from M1 J33 with good access to the SRN. It is located near an existing cluster of B2/B8 units. It is allocated for industrial and business uses as is brownfield. There are level challenges, sensitive uses in the vicinity, a river and an awkward shape. The site has limited capacity for a couple of mid-sized units. Not highly attractive to accommodate large logistics activities. | The site is brownfield and may have been used for mining since there are shafts on site. There is also a river running through the site. It requires infrastructure to open up the site. Has been available for considerable time for redevelopment and has not come forward, suggesting not attractive to the market. | 2 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 16 | **Yorkshire Water Land, Aldwarke,** S65 3SR | 8.62 | The site is not located in direct proximity to the SRN. The A630 is less than 1 km from the site which leads to the M1 and M18 some distance away. The site is located near an existing cluster of B2/B8 units. It is allocated for industrial and business uses. However, there are significant accessibility issues and in a flood plain. | The brownfield site is in an area with B2 uses. The site is limited by water features and some accessibility issues. Reasonably deliverable but not highly commercially attractive. If the site comes forward, it would be for small to mid-sized units and not strategic logistics. | 2 |   |
| 17 | **Land Off Aldwarke Lane, Aldwarke, S65 3SH** | 1> | The A630 is less than 1 km from the site which leads to the M1 and M18 some distance away. The site is located near an existing cluster of B2/B8 units. The site is allocated for industrial and business uses. It is highly developed and does not have further capacity to provide any premises of significant size. | The site is nearly fully developed and there is little opportunity for further development. | N/A |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 18 | **Roundwood Colliery, Off Aldwarke Lane, S65 3SR** | 6.16 | This brownfield site does not have direct access to the SRN. The A630 is less than 1 km from the site which leads to the M1 and M18 some distance away. The site is located near an existing cluster of B2/B8 units and within a highly industrialised area. The site is allocated for industrial and business uses. It is undergoing reclamation and restoration to enable future development. The site has an awkward shape. | The site's awkward shape and poor accessibility mean the site has limited capacity or commercial attractiveness for and large scale I&L development. | N/A |  |
| 19 | **Land Within Aldwarke Steel Works, Doncaster Road, S65 3SR** | 7.11 | The site is adjacent site stie 18 and has many of the same attributes. It is not located in direct proximity to the Strategic Road Network. The A630 is less than 1 km from the site which leads to the M1 and M18 some distance away. The site is located near an existing cluster of B2/B8 units. The site is allocated for industrial and business uses. A Transport Assessment will be required to address access issues. It's shape lends itself to development. | The site is not highly accessible and is located in an area of heavy industry. It is not necessarily a good location for modern logistics activity in the near term. | 2 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 20 | **North-West of Parkgate Retail Park, S62 6JE** | 15.79 (about 7.5 ha for logistics) | The site is not located in direct proximity to the Strategic Road Network. It is sandwiched between two rail lines. The A630 is less than 1 km from the site which leads to the M1 and M18 some distance away. The site is located near an existing cluster of retail and commercial units. This is a mixed-use site, part of which will be used for industrial and business uses. B1 and B2 uses should form the majority of the site area (not less than 50% of the built floorspace of any agreed masterplan for this area). | The site is in a commercial district with retail and other commercial uses. Less than 50% of the site is available for B8 uses which means it could not create a large cluster of such uses. However it could deliver several large units but with potentially compromises access. | 2.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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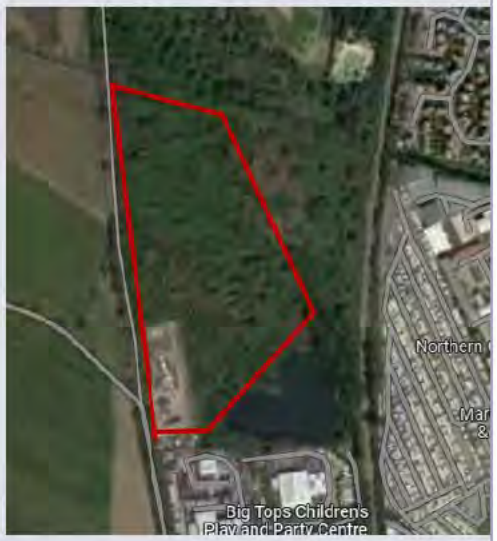
| 21 | **Land Off Bookers Way, Donnington, S66 9BW** | 6.94 | The site is located 3 km from M1 J32, which links to the M18 providing direct access to the north. The site is not located in or near an existing cluster. Consideration will need to be given to securing an acceptable access to the northern part of the site given the existing industrial estate layout and proximity of the pond. | The site is close to sensitive uses. There is no I&L uses in vicinity. The site has poor accessibility although located close to the M1. Does not have significant capacity. Not very commercially attractive. | 1.5 |  |
| 22 | **Land to the South of Monksbridge Road, Dinnington, S25 3AF** | 17.03 | The site is located less than 2.5 km from the A57, which links to the M1. This site is located near an existing cluster of B2/B8 units. It is partially developed out although there is scope for further development of large scale premises.. | The site may have some further capacity for two large scale logistics units at 31 East. | 3 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 23 | **Land At Former Maltby Colliery, Maltby, S66 7QW** | 36.58 | The site is adjacent to the A631 which provides direct access to the M1. This site is located near an existing cluster of B2/B8 units. The reuse of land and premises at Maltby Colliery, site allocation SPA2 as shown on the Policies Map in the Rotherham Sites and Policies Document for B2. It is occupied by Ritchie Bothers on a long term lease. | The site is well-located but is unattractive for strategic logistics and most appropriate for B" uses. This is recognised in policy. It is not available because it is leased on a long term basis to Ritchie Brothers. | 2 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 24 | **Land At Former Laycast Works, Fence, S13 9AD** | 1.9 | The site is located less than 1.5 km from the A57, which links to the M1. The site sits within an existing cluster of B2/B8 units. It could be suitable for last-mile operations as it is located near residential uses. The site is substantially developed including a unit occupied by Amazon. Units are also occupied by Home Décor and a range of other occupiers. | Mostly built out. The site appears to have some remaining capacity but not sufficient for strategic logistics units. They could be mid-sized units. | 1 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 25 | **North of School Road, Waleswood, S26 5PN** | 20.75 | The site is located less than 2 km from M1 J31. It sits within an existing cluster of B2/B8 units. There are some sensitive uses to the south of the site including homes and a cricket ground. The site requires enabling works. Access to the site would require improvement to bring it to acceptable standards. | The site would be in the back of an existing cluster with investment required to improve access. However it sits adjacent to the M1 so would be visible. The site is controlled by NSL who are looking to bring forward as an extension to Vector 31 to the west. | 3 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 26 | **EWS Dismantled Railway Line, Wood Lane, Brinsworth, S60 5BD** | 5.85 | The site is located just over 1.5 km from M1 J33. However to unlock site requires access improvements. It is located near an existing cluster of B2/B8 units. The site requires enabling works. Yard lies within the railway embankment and would require reclamation. Access to the site would require improvement to bring it to acceptable standards. It is long a thin and would not be suitable for large scale I&L in any form. | Awkward shape sterilises site for large scale I&L. | 1 |   |
| 27 | **Land Off Europa Link, Catcliffe, S60 5BD** | 2.3 | The site is just over 1.5 km from M1 J33 and would have good access to the A630. It is located near an existing cluster of B2/B8 units. The site has an awkward shape and is ability to accommodate large scale logistics is limited. There is one plot under construction that can accommodate a large unit. | The site is under construction for primarily mid-sized units. There is one building that will accommodate a large occupier but it is also divisible into smaller units. | 3.5 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 28 | **North of Thurcroft Industrial Estate, S66 9HU** | 6.17 | The site is located adjacent to the M18 but has only indirect access to the SRN. It is located adjacent to an existing cluster of B2 units. A Transport Assessment will be required which includes consideration of the impacts. A new junction with Kingsforth Lane may require a reduction of the speed limit. The site is suitable for mid-sized units but largescale I&L would be inappropriate given the local context and narrow local roads. | Greenfield site that appears to be straightforward for development for mid-sized B2/B8 units. Not large enough or suitably positioned for a large scale I&L strategic development. Acquired by Waddington for a multi-unit development. Currently on-site to deliver a total of 154,0000 sqft across up to 24 units. | 1 |  |
| **Barnsley** | | | | | | |
| 29 | **Capitol Park Extension, S75 3UB** | 2.8 | The site is adjacent to M1 J37. It is not ideally shaped and somewhat constrained but relatively straightforward to develop. There is a reserved matters application (2022/0916) for two warehouses (9,755 sqm and 7,804 sqm) for general industrial and storage and distribution purposes (use classes B2/B8) with ancillary office. | The site is likely to come forward in the near term given the reserved matters application. Only one of the units is considered to be for strategic logistics (greater than 100,000 sqft). | 3 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 30 | **Capitol Park, S75 3UB** | 0.00 | The site is developed and occupied. It is primarily mid-sized B2 uses. | Fully built out. No immediate opportunities for intensification. | N/A |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 31 | **Land off Ferrymoor Way, S72 7BN** | 17.00 | The site could accommodate large scale logistics. Development needs to consider the impact on the amenity of Cudworth Common and include appropriate mitigation. There are a number of villages between the site and the SRN. The site is approximately 15 km from the M1 to the west by road. This site is part of an existing business park at Grimethorpe. | Broadly commercially attractive for large I&L but not an ideal location for strategic logistics given its considerable distance to the M1. However there are some other logistics units in the vicinity. Northern plot is for sale, south-eastern plot being developed by Symphony for large unit. Deliverable site in spite of its isolation. | 3 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 32 | **Land South of Dearne Valley Parkway, S63 9FA** | 72.90 (only a proportion for logistics) | The 73 hectare site will be a high-quality employment-led development comprising of general industrial, light industrial and warehousing and distribution units along with associated office space and associated infrastructure (current and former B Use Classes). The site is estimated to deliver around 204,000 sqm of employment space. There are multiple land ownerships within the site. It is a gently sloping valley site with former mining activity. There are views of the site from existing and proposed housing developments. There is adjacent Green Belt to the north, west and south of the site. The site is immediately south of the A635, which provides direct access to the A1(M). The eastern boundary of the site faces the Aldi RDC and Goldthorpe Industrial Estate. Relationship to adjacent future housing sites (residential amenity). | The greenfield site has reasonably good access to both the M1 and the A1(M) which are 7 and 5 miles away, respectively. It is relatively straightforward to develop and has a masterplan that is in place and planning application anticipated. Only a proportion of the site will be made available for strategic logistics. But given its size, it has capacity to accommodate strategic logistics. It could also service local conurbations. | 3.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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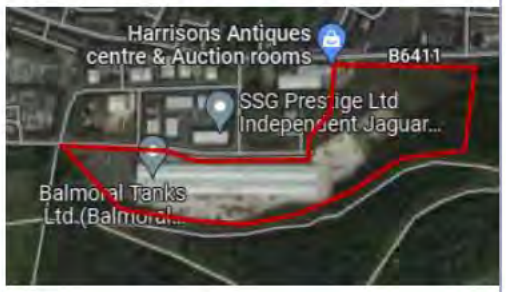
| 33 | **Thurnscoe Business Park, S63 0BD** | 1.50 | The site is developed and occupied. It no longer has capacity. The site is approximately 6 km from the A1(M) to the east. The site is located near Fields End Business Park in Thurnscoe. | No remaining capacity for any development. | N/A |  |
| 34 | **Land West of Sheffield Road, S74 0FN** | 22.00 (10 ha for strategic logistics) | The site is adjacent to M1 J36. The site is part of a cluster adjacent to the A635. The overall employment-led offer is 49 ha comprising offices, light industry, warehousing and distribution units. The site is partially developed and occupied by logistics. About half the remaining site is suitable for large-scale logistics (about 10 hectares). Consider the impact on residential amenity and include appropriate mitigation where necessary. | **The two large sheds have reached practical completion and therefore are available only in the near-term.** There may be some additional land remaining but unclear as to its capacity for further strategic logistics. Perhaps one more large unit. | 5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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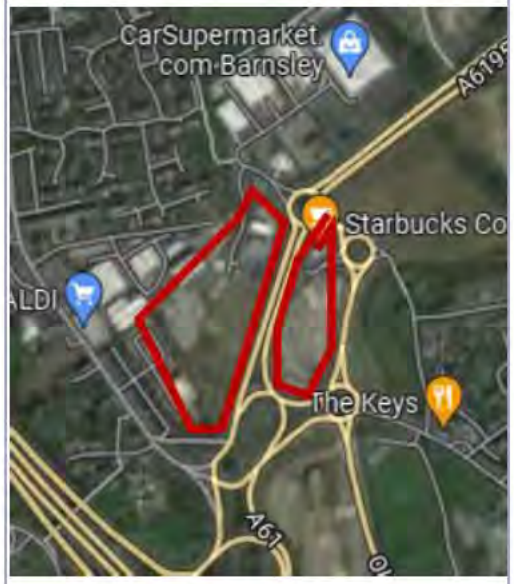
| 35 | **Rockingham, S70 5SU** | 4 | Near-direct access to the M1. Four distinct development parcels. Most of the site is developed and occupied. The remaining land is unsuitable for large-scale logistics because it has limited capacity and it is more appropriate for smaller B2/B8 units. Waddington developed The Oval comprising seven small. Another proposal for small units. | Great location but limited capacity and unable to accommodate large I&L. Land is suitable for mid-sized units at best. | 1 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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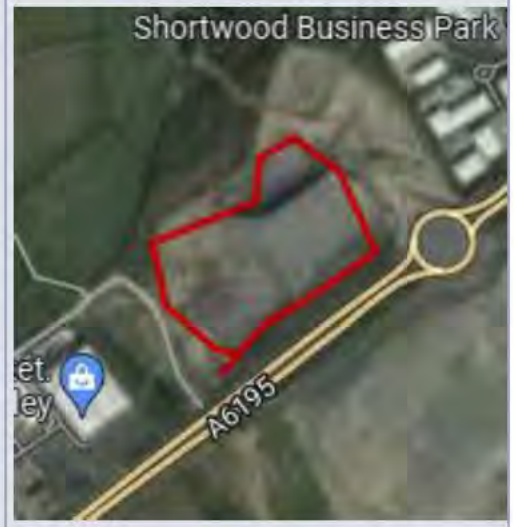
| **36** | **Shortwood Extension (Phase 2), S74 9LH** | 11.80 | This site is an extension to the existing Shortwood Business Park. The site is under development and suitable for large-scale logistics. Practical completion in 2023 – marketed as Barnsley 340. The site is immediately north of the A635, which provides near direct access to the M1. The site is part of a cluster adjacent to the A635. | Commercially attractive and highly deliverable site. Practical completion in 2023. **Therefore only available in the near-term.** | 5 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 37 | **Land South of Dearne Valley Parkway, S74 9LH** | 20.00 | The site has planning and is highly suitable for large-scale logistics. The site is immediately south of the A635, which provides direct access to the M1. The site is part of a cluster adjacent to the A635. Marketd as Gateway 36 by Harworth. Combination of mid-sized and large units. | Commercially attractive and highly deliverable site with considerable capacity. Will deliver some large units but also mid-sized. | 5 |  |
| 38 | **Ashroyd, S74 9SB** | 3.00 | Part of the site is in an Enterprise Zone. Planning Application Number 2021/1480 - for erection of employment units. Two available plots that could accommodate mid-sized units. Not enough capacity for large-scale I&L. A remaining plot owned by NSL for a 90,000 sqft unit. Other plot owned by A&A to be developed for smaller units. | Commercially attractive site but no capacity to accommodate large I&L of 100,000 sqft or more. | 1 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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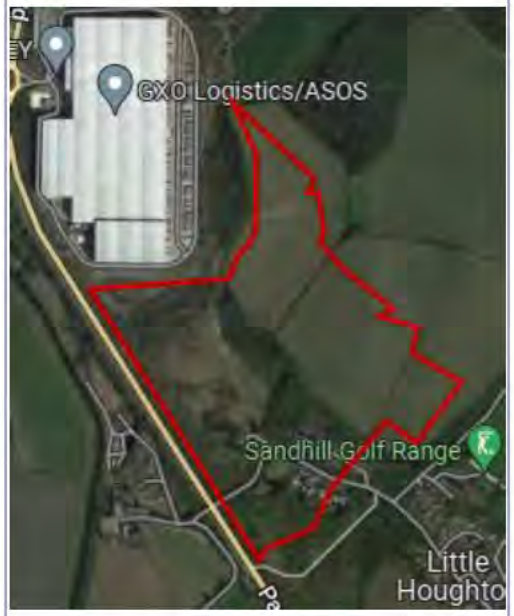
| 39 | **Land South of Park Springs, S72 0HW** | 8.30 | Former colliery. There are a number of villages between the site and the Strategic Road Network. Adjacent to a large standalone logistics units but this site would require separate access. Not straightforward to open up the site. Planning granted to Harworth for a five unit scheme ranging from 20,000 to 85,000 sqft. Is therefore unlikely to provide strategic units. | The site is about 10 km from the M1 to the west and the A1(M) to the east. There is a large logistics unit to the north. Reasonably attractive location. Is likely to be developed for mid-sized units as per Harworth application. | 2 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 40 | **South East of Higham Common Road, S75 1PW** | 43 | Planning for development of B2/B8. Relatively easy site to develop but access issues and sensitive uses. Must use bridge to get onto M1. Masterplan proposed which includes two large units (and a total area of 1.2 m sqft). | This site is part of a cluster adjacent to M1 J37. Relationship to adjacent future housing sites (residential amenity). Highly commercially attractive if access can be improved. Masterplan proposes two large units (and some additional mid-sized units). | 3.5 |   |
| **Doncaster** | | | | | | |
| 41 | **Land off Middle Bank, Balby, DN4 5NG** | 3.92 | The site is surrounded by sensitive uses including a school, allotments and residences. Adjacent uses include a Tesco Distribution Centre but the area is congested and unsuitable for 'bad neighbour' uses. | Inappropriate for large-scale I&L given constraints and sensitive uses. | 1 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| **42** | **iPort, Rossington, DN11 0BG** | 24.02 | 70.90 ha has been delivered since 2018. Additional Detailed Plans Granted to be delivered in the near future include: iP8 for 5.94 ha; iP7 for 3.24 ha; iP6 for 1.86 ha. Speculative development currently under way. Remaining plots have capacity for about Site has good links to the ports on the south side of the Humber. Amazon and Lidl are major occupiers. Good access to M18, A1(M) and the M1. | The site is adjacent to Junction 3 of the M18. Convenient location with existing industrial and logistics uses and good port access. The best parcels on the site are developed and occupied but there is still capacity although occupiers are likely to be linked to port activity. Has capacity to deliver large units with remaining plots being able to deliver units of 850k sqft and 330k sqft. | 4 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
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| 43 | **Balby Carr Bank, Balby, DN4 5JP** | 5.60 | Infill site surrounded by historic B2 uses in industrialised area. Outline planning in June 2022 covering part of the northern section of the site. The site is around 3 km from J35 of the M18. There are adjacent industrial and logistics uses. However, the surrounding area is congested and includes some sensitive residential uses. Part of site is owned by Total Development and it is due to come forward for primarily mid-sized units. There is one large being marketed for logistics but it is questionable as to whether this is feasible. | Somewhat fragmented infill site that is challenging to develop for large-scale logistics. Current proposal includes one large logistics unit of about 130k sqft. The site is most appropriate for for mid-sized B2 uses. | 2.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 44 | **Former McCormick Tractors International, Wheatley Hall Road, Wheatley, DN2 4PE** | 9.25 | Large brownfield infill site for mixed use residential-led with reserved matters application for B2/B8 uses. Construction to start in 2023. The site is along the A630 which leads to J4 of the M18, just over 5 km from the site. There are nearby sensitive uses. | Good location but the mixed use context suggests not ideally placed for large-scale strategic I&L. Masterplan is not oriented towards delivering large units. More oriented towards mid-sized B2 and trade-type uses. Marketed for some large units but unlikely to be suitable. | 2 |   |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 45 | **West of DSA Terminal, First Avenue, Auckley, DN9 3RH** | 9.33 | Site is under construction and ready for occupation in 2023 for small to mid-sized units. Potential Pannatoni Doncaster 420 would be a single large unit on south side. Within EZ. The site is adjacent to the former Doncaster Sheffield Airport (now closed). It is about 6 km the nearest major motorway junction on the M18. | Not ideal location for large-scale logistics and limited existing commercial cluster associated with former airport. Site is deliverable. It is currently accommodating small and mid-sized units but the southern part of the site could be delivered for a single large unit by Pannatoni. Unclear if this will be sufficiently commercially attractive to occupier given its somewhat isolated location. | 2.5 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 46 | **Bankwood Lane, Rossington, DN11 0PS** | 17.68 | Currently open storage. The site is near to J3 of the M18. There are nearby I&L uses. There are also a range of sensitive uses including considerable new residential development, woods, allotments and a river to the north. It is unclear how access would be achieved without impacts on surrounding amenity. It is close to iPort (site 42) but with considerably more challenged access and development context. | Site is highly constrained by surrounding uses. Likely to be considerable resistance to large-scale strategic I&L development at this location. | 2 |  .0 |
| 47 | **Nimbus Park Phase 2, Thorne, DN8 4JL** | 7.00 | The site has been developed with two large units (Nimbus 106 and Nimbus 164). The site is close to J6 of the M18. There is a large-scale logistics building to the north occupied by The Range. Convenient location with access to a major motorway. Allocated. Delivered. | The site is no longer available. | N/A |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 48 | **West Moor Park Extension, Armthorpe, DN3 3FQ** | 0 | The site is south of an existing Next logistics unit and near to J4 of the M18. Greenfield land. Adjacent to residential uses. It is now fully built out with no more developable land available. | Site is now fully built out. | N/A |  |
| 49 | **Thorne North, DN8 4JL** | 44.00 | Large greenfield site with nearby logistics uses and capacity for large I&L. Adjacent to J6 M18. Allocated and granted permission in 2022. Well-positioned to service the ports on Humber but its location is peripheral to the SCR. 10 miles from Doncaster. | Commercially attractive site but somewhat peripheral to Doncaster and the wider SCR. There is likely to be difficulty in sourcing sufficient labour force. However the site has excellent access to the motorway and can accommodate a range of large units. Not really a substitute for meeting demand on the M1 around Sheffield as it is more than 25 miles away. | 3 |  |

| Site No. | Site Name / Address | Developable Land Remaining (ha) | Notes / Planning Status | Commercial Attractiveness / Deliverability | Deliverability Score for Strategic Logistics (1 to 5) | Image |
|---|---|---|---|---|---|---|
| 50 | **Site 2, Land East of Poplars Farm, Hurst Lane, Auckley (Airport), DN10 6EZ** | 55.00 | The site is adjacent to Doncaster Sheffield Airport, making it a convenient location for I&L uses reliant on air freight. It has reasonably good access to the M18 via the A638. J3 of the M18 is about 5 km. The site is greenfield land and is allocated. | The site is relatively easy to develop and it has reasonable access to the SRN. It is somewhat peripheral to the SCR (about 20 miles from Sheffield) and isn't a suitable substitute to meet demand on the M1 around Sheffield. It is a Peel scheme. It requires infrastructure to open it up. | 3 |  |

spawforths

RULA DEVELOPMENTS

Rula Developments

# Sheffield Gateway

## Delivery Report

Revision B | **February 2023**

# Contents

## Introduction



## Site Location and Proposals



## Deliverability

## Technical Delivery



## Approach to Delivery

Meeting the strategic need for new **employment space in Sheffield**

The site would provide employment in a location with sustainable travel options

When fully occupied, the scheme is anticipated to create up to **1,166 new jobs** once operational

**Restoration** of the tip and former colliery site will address pollution in the area

The site is located within **800m of Chapeltown Train Station**

Connected by **existing walking routes to** Chapeltown

Regenerating the former Hesley Wood Tip

# Executive Summary

## Shortage of Strategic Employment Land

The Vision for the Sheffield City Region is "growth, inclusion and sustainability" with a focus on generating growth that is good and responds to the national and global challenges of productivity, decarbonisation and tackling inequality. The proposed scheme will therefore meet the need and demand for new employment, particularly100,000sqft+ units, in Sheffield and facilitate this growth.

## Prime Location for Employment

The site is adjacent to Junction 35 of M1 Motorway and close to Chapeltown railway station

## Removal of Anti-social Behaviour

The redevelopment of the site will also remove anti-social behaviour and unneighbourly uses, which are attracted to this derelict site.

## Site Wide Restoration of Former Colliery Land

The restoration of the tip and the former opencast area which lies partly under the Scouts camping field will lower the plateau by circa 9m and enhance the Scouts camping field and also address the pollution in the lake.

## Encouraging Healthy Travel to Work

The site would provide local employment within walking and cycling distance from many residential areas within Chapeltown. In addition over half the site is within 800m of the centre of the town with access to Chapeltown railway station and bus stops.

## Landscape and Ecology Improvements

The landscaping and public realm associated with the development will support the integration of nature into and through the site and achieve significant Biodiversity Net Gain.

## Connectivity to Chapeltown

In order to facilitate and increase healthy travel to work options the scheme will improve and enhance footpath networks from the site through Chapeltown Park.

The proposed scheme has the potential to provide over **1m sqft** of employment space

RULA DEVELOPMENTS

# Introduction

**This Delivery Report illustrates the vision for J35 Sheffield Gateway and seeks its allocation for employment within the emerging Sheffield Local Plan. The site is proposed to deliver 1,000,000sqft of employment space within a sustainable location a short walk of Chapeltown town centre and Chapeltown railway station. Rula Developments are promoting the site and they have a legal agreement with the landowner.**

Rula Developments is a privately-owned development company with offices based in South Yorkshire. The company was set up in late 2016 to combine the strengths of the founder of the company, Ben Ward, along with their investors whose background was in Warehouse and Logistics. Rula Developments focus on areas where there is a proven need to enhance the local community.

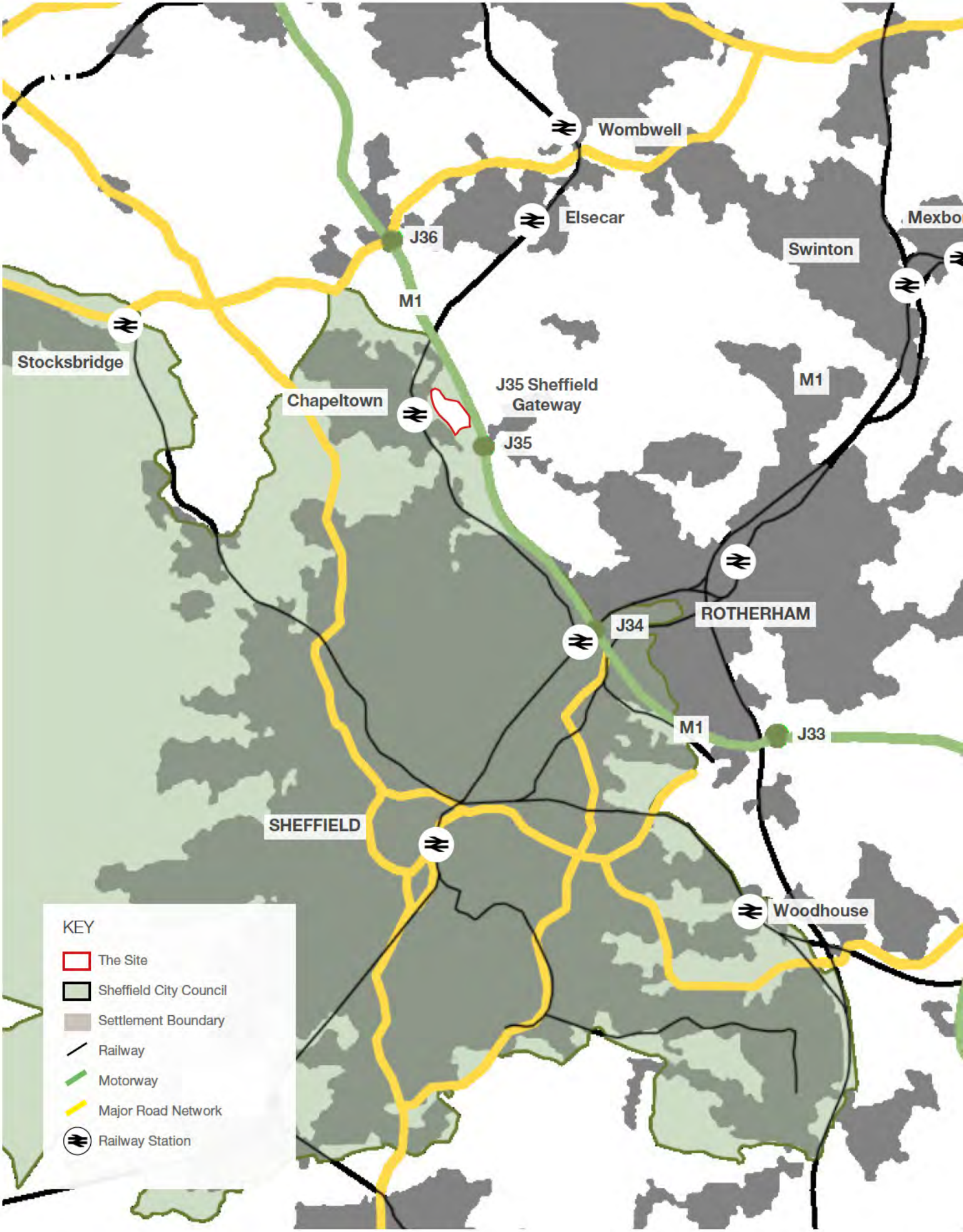
Rula are both privately owned and funded. With many years of experience the team at Rula are able to mobilise to deliver projects quickly or able to agree longer-term joint venture / strategic partnership arrangements.

Rula Developments have entered into a legal agreement with the landowner at J35 Sheffield Gateway.

J35 Sheffield Gateway currently comprises a former spoil tip of the disused Smithy Wood Colliery. The site provides an opportunity to develop much needed employment in a sustainable location close to existing services and facilities, other employment schemes and public transport routes whilst enabling the remediation of the site.

The proposed scheme can deliver approximately 1,000,000 sqft of employment space within a short walk of an existing workforce and sustainable transport options.

The site can deliver significant benefits within the vision for growth that the city and region aspires. This site's the ideal place to facilitate the further enhancement to Chapeltown through the provision of new employment attractive to a diverse and highly skilled workforce.


Wombwell
Elsecar
J36
Swinton
M1
Stocksbridge
Chapeltown
J35 Sheffield
Gateway
J35
M1
ROTHERHAM
J34
M1
J33
SHEFFIELD
Woodhouse
KEY
The Site
Sheffield City Council
Settlement Boundary
Railway
Motorway
Major Road Network
Railway Station

# Site Location

**The site of J35 Sheffield Gateway is located to the east of Chapeltown Park. The former Hesley Wood Pit is an ideal location to accommodate the economic growth of the Town and of Sheffield City because it is a site in need of remediation located close to the Chapeltown Town Centre and the railway station. Furthermore the site is close to existing employment opportunities at Smithy Wood Business Park and the strategic road network.**

The site benefits from proximity to both Chapeltown Town Centre and Chapeltown railway station. The site has excellent motorway links, with access to Junction 35 a short distance to the south-east.

The former spoil tip is currently unmanaged, the former spoil tip has remained untouched for decades. The area is currently mis-used for illegal off road motorcycling and quad-biking, which causes a nuisance for neighbouring residents.

Areas of woodland are located along the boundaries of the site to the north, west and south. This includes a small area of ancient woodland on the southern part of the site with a larger extent to the south of Cowley Hill at Smithy Wood.

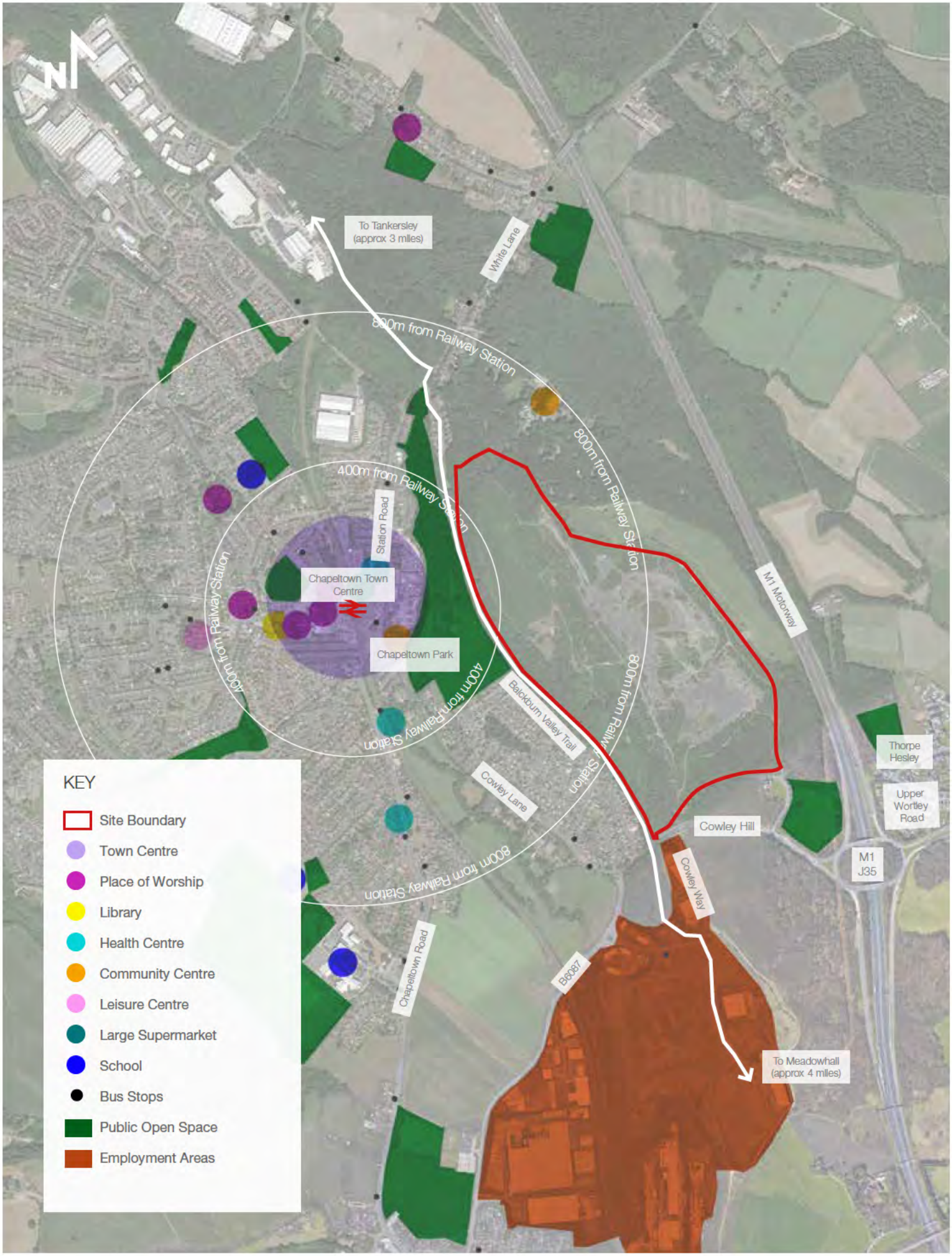
Cowley Hill provides the main opportunity for access by vehicles. The site is also well connected for pedestrians and cyclists with direct access from the heart of Chapeltown through Chapeltown Park and across the Blackburn Valley Trail.

The topography between Chapeltown and the J35 Sheffield Gateway site currently slopes up with areas which are steep. However these routes are well maintained and walking and cycling up hill is common within Sheffield and its surrounding towns.

The Blackburn Valley Trail follows the contours to remain relatively level along its length. The remediation of the site creates opportunity to re-profile the topography within the site to create accessible and convenient routes linking to the Blackburn Valley Trail and onwards into Chapeltown Park.

The site is visible to traffic using the M1 Motorway as they travel to the north of Junction 35 with the former spoil tips barren spoil heap visible to motorists. The regeneration of this site could improve perceptions of the place for users of the motorway.

| Land Use | Approx Ha | Approx Acres |
|---|---|---|
| Total Site Area | 44.5ha | 110.01 acres |
| Proposed Building Footprint | 9.48ha | 23.42 acres |
| Area of Hardstanding | 8.41ha | 20.78 acres |
| Retained as Green Space | 26.63ha | 65.81 acres |


To Tankersley (approx 3 miles)
White Lane
800m from Railway Station
400m from Railway Station
Station Road
Chapeltown Town Centre
Chapeltown Park
Blackburn Valley Trail
Cowley Lane
M1 Motorway
Thorpe Hesley
Upper Wortley Road
Cowley Hill
M1 J35
Cowley Way
B6087
Chapeltown Road
To Meadowhall (approx 4 miles)
KEY
Site Boundary
Town Centre
Place of Worship
Library
Health Centre
Community Centre
Leisure Centre
Large Supermarket
School
Bus Stops
Public Open Space
Employment Areas

# Site Description

**The former Hesley Wood Tip is 44.5ha of unmanaged, former spoil heap. The former pit is currently blighted by anti-social behaviour. The site benefits from close proximity to Chapeltown railway station, existing residential areas, other employment and J35 of the M1.**

The Vision for the J35 Sheffield Gateway development is to create a place which:

- Delivers new employment for residents of Chapeltown and Sheffield
- Removes unneighbourly uses.
- Improves stability of dangerous spoil tip slope.
- Takes advantage of proximity to an under-utilised motorway junction to deliver new employment.
- Retains and supports the habitat within the surrounding woodland.
- Create an employment gateway to Sheffield.
- Meets the shortfall for large industrial and logistical units (I&L) (premises greater than 100,000sq.ft.)

**Objectives;**

### Improving Perceptions

The regeneration of this site could improve perceptions of the place for users of the M1 Motorway, creating a gateway to Sheffield.

### Remove Nuisance Behaviours

The restoration of the site through a positive allocation and creation of employment will remove urban blight. Similarly the misuse of the site which currently causes nuisance for adjacent residents will be removed.

### Supporting Habitat Creation

The landscaping and public realm associated with the development will support the integration of nature into and through the site. This will support the area in contributing positively to providing habitat linking to the surrounding woodland.

### Benefiting from the Location

The proposed employment will be able to make use of the proximity to the motorway junction to attract new employers. the employment will also benefit from the proximity of a workforce within Chapeltown.

### Supporting Sustainable Connections

The new development will have pedestrian and cycle connections to the wider area with links to the Blackburn Valley Trail. This provides sustainable movement connections into the wider area linking residential areas to the site.

### Improved Scouting Facilities

The scheme will enhance the adjacent camping ground and lake for the Scouts by restoring the land, addressing the underlying mining heritage and levelling the site.


N
White Lane
Scout Field
M1 Motorway
Chapeltown Town Centre
Scout Field
Chapeltown Park
Blackburn Valley Trail
Cowley Hill
Cowley Lane
Cowley Way
B6087
KEY
Site Boundary and Rula Developments control

# Land Ownership and Availability

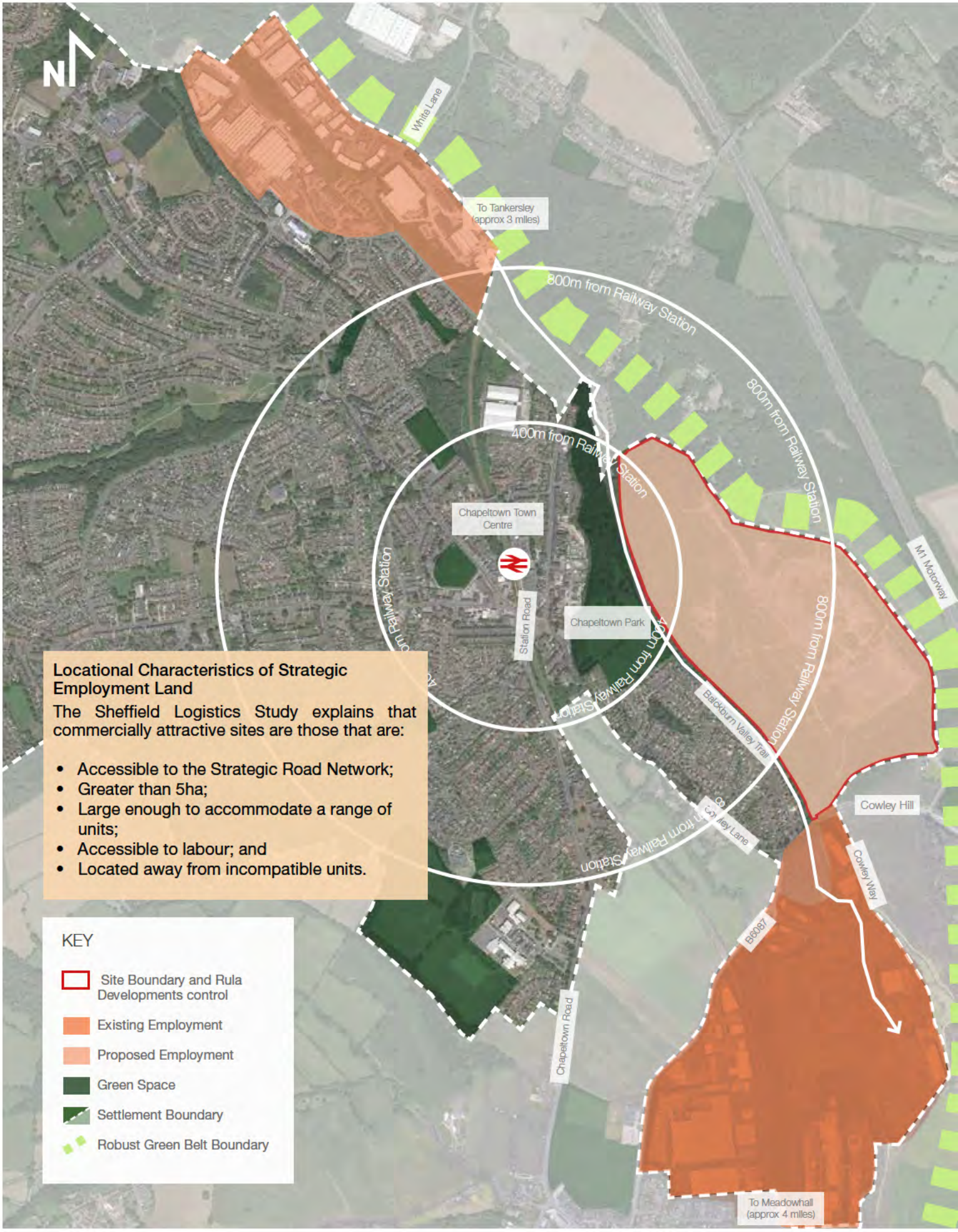
**The site is available, suitable, technically achievable and is deliverable in accordance with the Framework. It represents a sustainable employment opportunity close to existing facilities and a motorway junction. Rula Developments are promoting the site and they have a legal agreement with the landowner.**

The 44.5 hectare Hesley Wood site, is within the control of and is being promoted by Rula Developments.

Rula Developments are also in advanced contractual negotiations with the Scouts to remediate the contaminated areas and protect the environment and users of the site in order to enhance the scouts camping field.

The site is therefore available and accessible in accordance with national planning policy and guidance.


*Land Ownership and Access Plan*




**Locational Characteristics of Strategic Employment Land**

The Sheffield Logistics Study explains that commercially attractive sites are those that are:

- Accessible to the Strategic Road Network;
- Greater than 5ha;
- Large enough to accommodate a range of units;
- Accessible to labour; and
- Located away from incompatible units.

KEY

- Site Boundary and Rula Developments control
- Existing Employment
- Proposed Employment
- Green Space
- Settlement Boundary
- Robust Green Belt Boundary

# Suitability

**The J35 Sheffield Gateway site is located in a uniquely sustainable location close to the centre of Chapeltown with excellent access to the motorway network. The majority of this brownfield site is within 800m walk of Chapeltown Railway Station and a similar distance to the town centre facilities within Chapeltown.**

A former mining site within the Green Belt which is located within easy walking distance of an existing town centre with a railway station is a unique prospect within the Sheffield City Authority.

The site provides opportunity to remediate a former tip site and to create a sustainable employment development which can provide new jobs for Chapeltown and Sheffield.

The existing bus and train services which pass close to the site provide sustainable access to the new employment site from the residents of Sheffield and the wider region by sustainable transport methods.

Connections to these public transport services can be improved through the provision of cycle and pedestrian links across the adjacent Transpennine trail and through Chapeltown Park into the town centre. Whilst this is a steep route this is not exceptional for Sheffield.

The Blackburn Valley Trail creates further opportunity to encourage sustainable travel by creating a safe route for employees to cycle to work.

The Business Units at Smithy Wood Business Park (opposite the site) and within the Hydra Business Park, to the south in Ecclesfield provide precedent for employment uses in this location.

The range of shops, facilities, transport hubs and housing within walking or cycling distance from the site create opportunity to encourage more sustainable behaviours from future employers and employees and reduce reliance on the private car.

The J35 Sheffield Gateway site can therefore be an opportunity to grow the urban area in a sustainable way providing new jobs in a sustainable location.


*Suitabiltiy of Land*

# Market Need

**A report has been prepared by Savills to respond to Sheffield's Publication Draft Local Plan ('Draft Local Plan') and focuses on the evidence base and policies that relate to employment land and the large-scale (greater than 100,000 sqft). Industrial and Logistics sector (I&L) for logistics.**

The Hesley Wood site is a 44.5 hectare site that is potentially one of the only large, commercially attractive I&L development sites for the logistics sector which remains in Sheffield. Hesley Wood has near-direct access to Junction 35 of the M1 and its development would significantly address Sheffield's endemic shortage of employment land for logistics with capacity to deliver modern, large scale I&L premises within the City.

Savills' conclusion of the review of the Council's evidence base and policies is that the underlying analysis is fragmented, lacks sufficient transparency and employs flawed methodologies. Even though the Council's own analysis concludes there is a significant deficit of employment land for the I&L, the information and analysis is insufficient to demonstrate the assessment is robust. And in spite of what both Sheffield and Savills identify as a significant deficit, the Council suggests with limited high level evidence that it could be met by employment land in neighbouring local authorities. And there is no analysis of how much land is available in the neighbouring authorities for Sheffield after they meet their own identified need. Savills own analysis demonstrates that there are a limited number of sites in either Sheffield or the wider area to address this need. It is evidence that additional land is required.

To underline the problem with the Draft Local Plan, Draft Policy SP 1: Overall Growth Plan states that nearly 13 hectares of employment land will be delivered annually within Sheffield itself to 2039. This is equivalent to 219 hectares. However the Council's identified supply shows that it has only allocated about 171 hectares. (It is unclear how much land in extant permissions exists because the Council has not made this available.) Much of this land is either commercially unattractive, no longer available or can be used to accommodate non-employment uses such as hotels and shops (in the case of sites for General Employment). The result is a chronic shortage as identified in Sheffield's own Employment Land Review (ELR) where it notes that 'many Sheffield companies relocated to other authority areas' and that there is a need for additional sites.

Whilst the Council's estimate of need identifies a large deficit, Savills' own assessment of the evidence base shows that the Council's approach to calculating need results in an even greater deficit. Whilst there are limitations of the methodologies employed by the Council in estimating need, the gravest concern is that the evidence base does not sufficiently account for the effects of the historic undersupply ('suppressed demand') or account for the current and future growth drivers of I&L premises such as the growth in online retailing or housing growth in the area.

Savills' own estimate of Sheffield's employment land need. Based on a methodology that accounts for historic suppressed demand arising from the endemic shortage of available premises, over the 17-year period of the Draft Local Plan the estimate of overall demand for I&L in Sheffield is about 300 ha of land. This is more

*Road One, Winsford (Rula Developments, 2018)*

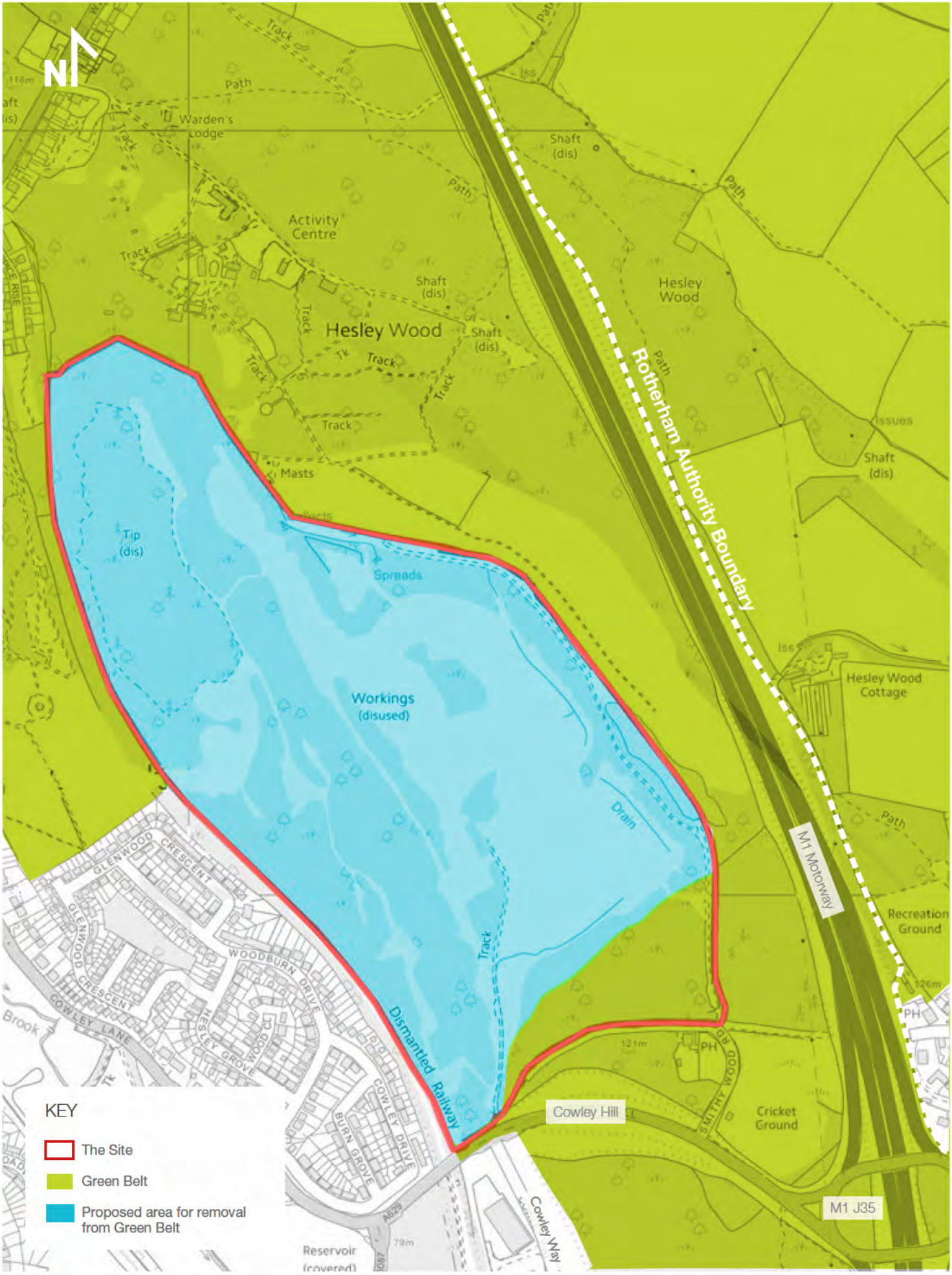
than 65 ha above Sheffield's own identified demand. Even greater discrepancies arise when comparing the need for large I&L units, particularly for logistics. It is estimated that about 193 hectares is needed for large I&L (B2 / B8) premises (greater than 100,000 sq.ft.) and about 163 hectares for large logistics units. This is more than twice the level identified in the Council's evidence base.

Sheffield's problems in meeting its identified need becomes even more acute when the supply of available and allocated land is critically assessed. Savills' detailed review identifies only 14 ha in Sheffield and about 92 ha across the four key local authorities in the region that is commercially attractive land likely to come forward over the period of the Draft Local Plan. Many of the most attractive sites identified in Sheffield's Draft Local Plan or the plan documents of other local authorities have already been developed. Other sites are simply unlikely to come forward over the plan period because they are not sufficiently commercially attractive. The reasons why these sites are less deliverable include their compromised access; site constraints; sensitive uses in the vicinity; or their less desirable locations.

This report's broad conclusion is that Hesley Wood provides the Council with its most compelling opportunity to address the chronic shortage of employment land for large scale logistics identified in its evidence base. There is simply insufficient capacity either in Sheffield or across the wider area to meet its need. This is having a detrimental impact on the local economy and its prospects for higher levels of growth.

**-48ha**

**Against Policy SP1 Employment Shortfall**


N
Warden's Lodge
Activity Centre
Hesley Wood
Shaft (dis)
Tip (dis)
Spreads
Workings (disused)
Masts
Drain
Track
Dismantled Railway
Rotherham Authority Boundary
Hesley Wood Cottage
M1 Motorway
Recreation Ground
Cricket Ground
Cowley Hill
M1 J35
Reservoir (covered)
Cowley Way
KEY
The Site
Green Belt
Proposed area for removal from Green Belt

# A Suitable Green Belt Allocation

**The employment needs of Sheffield and the Sheffield City Region will require Sheffield City Council to review the Green Belt Boundaries within the city. The land at J35 Sheffield Gateway is an opportunity to positively adjust the Green Belt boundary and form a new robust and long lasting boundary.**

The land at J35 Sheffield Gateway provides a unique opportunity to bring forward the effective reuse of these derelict former coal workings, enabling the restoration of one of the largest areas of derelict land that remains in Sheffield. This restoration will deliver environmental improvements and remove an unneighbourly use. The delivery of much needed employment will then make efficient and effective use of the restored land.

Sheffield is enveloped by the South Yorkshire Green Belt which is placing a significant pressure on development land. The Framework considers that Green Belt boundaries can change in "exceptional circumstances". Such circumstances exist through the significant need to provide deliverable employment sites throughout the plan period in Sheffield. To meet the economic growth aspirations Sheffield City Council will need to revise the Green Belt boundaries within the emerging Local Plan to provide the new boundaries with some permanence.

The Framework establishes the five purposes for allocating land within the Green Belt. Having reviewed the site against the purposes of Green Belt it can be demonstrated that the allocation of the site for employment use will not undermine the integrity of the Green Belt:

**To check unrestricted sprawl.**
The allocation of this site will require some encroachment into the Green Belt, however the current boundary is not robust. A new robust Green Belt boundary will be formed using distinct features of the existing woodland and M1 motorway.

**To prevent neighbouring towns from merging.**
The site is well contained with the M1 motorway to the east, industrial development to the south, Ancient Woodland to the north and Chapeltown to the west.

**To safeguard the countryside from encroachment.**
The site is a former coal workings and is previously developed, derelict land, which is an unneighbourly use. Redevelopment of the site for employment use would prevent encroachment onto green field sites elsewhere in Sheffield.

**To preserve the setting and special character of historic towns.**
Chapeltown is not within a conservation area, and the site is not adjacent to a designated Conservation Area. The allocation of the site will therefore not affect the setting of a Historic Town.

**To assist in urban regeneration, by encouraging the recycling of derelict land and other urban land.**
The site is previously developed derelict land. The Framework encourages the re-use of previously developed land and states that such sites should be considered first when releasing land from the Green Belt. The development of this site will enable remediation of the site and bring this derelict land back into use for the creation of valuable employment and jobs, whilst bringing forward significant environmental improvements.

The impact on the openness of the Green Belt will be limited as the site is previously developed derelict land contained within its landscape. The site is in an area which is influenced by existing residential and commercial development as well as national infrastructure. It can therefore be demonstrated that the site has a limited role to play when considered against the five purposes, and the development will not undermine the integrity of the Green Belt around Chapeltown and Sheffield.


*Aerial view of mine works 1950*

# Mining Legacy

**The legacy of the mining history of Sheffield and South Yorkshire can be seen throughout the region. Many of the larger of these sites have since been remediated and regenerated as part of development proposals. The former Hesley Wood tip is one of the few remaining sites of this scale awaiting remediation.**

### Remediating the Mining History

The land at J35 Sheffield Gateway was utilised as a spoil heap for the adjacent Smithy Wood Colliery between 1938 and 1972 when the Colliery closed. An aerial ropeway ran from the mine-head at Smithy Wood Colliery in a north easterly direction before turning northwards into the site. The ropeway was supported by metal pylons carrying winding gear and continued through the centre of the site.

The ground either side of the ropeway is clearly made up from the colliery spoil transported via the ropeway from Smithy Wood Colliery. Whilst being separately named, the Colliery and the tip were clearly part of one single integrated operation, with the tip clearly existing and physically connected to the mine-head for the purposes of allowing the Colliery to tip its spoil.

The area, therefore, falls clearly within the definition of previously developed land in the national planning policy framework, having been subject to extensive operational development in the form of tipping and also the construction of structures, to facilitate the tipping and movement of colliery spoil around the site from the Colliery. There is no restoration scheme in place for the tip.

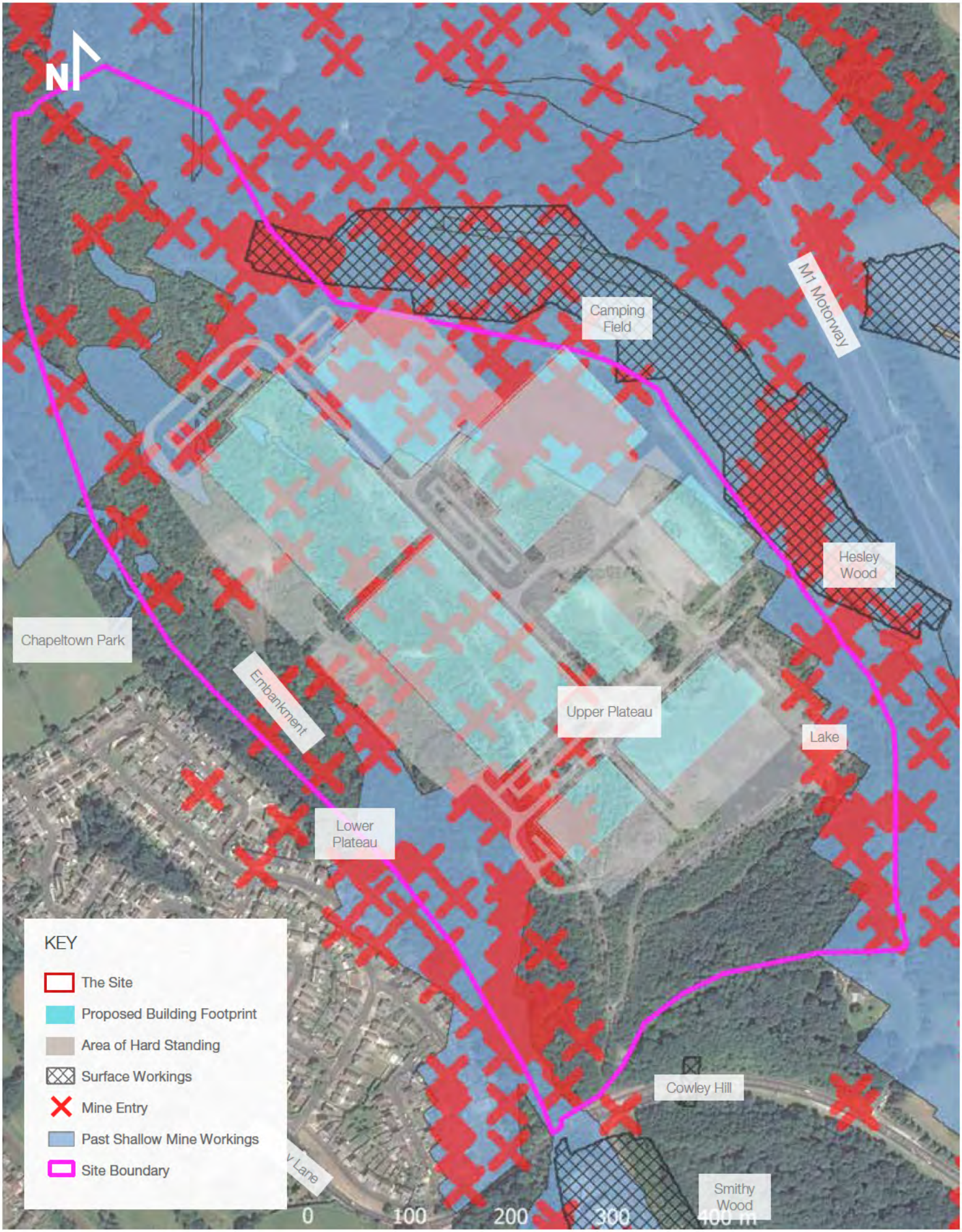
The wider area has an extensive history of mining. This can be seen from walking over the site. The topography remains shaped by the spoil tips with two plateaus created separated by a steep embankment. The Scouts camping field to the north-east of the site also formed part of this mining history with open cast mines shown on historic mapping across the area. The lake on the eastern boundary of the site is man-made, formed within the made ground. The site is predominantly made-ground which is up to 30m deep in places.

The most western of the plateaus is lower, only slightly above the adjacent Blackburn Valley Trail which follows the route of a disused railway line. This plateau has begun to be rewilded by trees and plants creating the beginnings of new habitat. However, the ground investigations in this area record high levels of toxic materials under the ground. The regeneration of the site is an opportunity to remove and treat these materials to make them safe.

Furthermore, immediately to the north east of the site and possibly extending on to the site is a former backfilled opencast colliery that extracted Parkgate Coal. There are also a number of historical mine entries in this area. This area underlies the adjacent Scouts camping field and the proposed scheme provides an opportunity for this area to be restored and enhanced for the children's enjoyment. The proposed development, by regenerating and restoring the site will also address the pollutants that drain into the lake which the Scouts use. Therefore, the proposed scheme will improve the environment for the Scouts and their safety.

The upper plateau demonstrates the damage done to the landscape. Since the pit was closed the area has remained barren with plants unable to populate this area. This illustrates the poor quality of the soil. Furthermore, throughout the site there are records of Bell Pits which have yet to be made safe.

The development of the site will allow for the remediation and stabilisation of the ground removing the risks the site currently poses and protecting future generations.


N
Camping Field
M1 Motorway
Hesley Wood
Chapeltown Park
Embankment
Upper Plateau
Lake
Lower Plateau
Cowley Hill
Smithy Wood
KEY
The Site
Proposed Building Footprint
Area of Hard Standing
Surface Workings
Mine Entry
Past Shallow Mine Workings
Site Boundary
0
100
200
300
400 m

# Heritage and Mining

**The site lies within a Coal Authority (CA) Development High Risk Area and there are extensive recorded coal and ironstone workings beneath the site within four seams of coal (Parkgate, Thorncliffe Thin, Silkstone Top and Silkstone Low Coals) and two seams of ironstone (Claywood and White Mine Ironstones) at shallow depth. Further unrecorded shallow coal and ironstone workings are also considered likely and this could also include workings within the Yellow Mine Ironstone**

Other than some coal mine workings at approximately 90m depth, likely to be within the Silkstone Coals, there are no deep mine workings recorded beneath the site.

The site has over 120 recorded mine entries (includes shafts and adits) and there are likely to be further additional unrecorded mine entries. Only a single mine entry is recorded to have been treated. It is suggested on the CA interactive online viewer, that many of the mine entries will be small.

Steep slopes are present on-site around the periphery of the colliery spoil mound, along parts of the disused railway cutting forming the western boundary to the site and around other secondary mounds that are present on-site.

Slopes on the western part of the colliery spoil mound are up to 30m in height (as compared to typical heights of 10m elsewhere) with extremely steep gradients in places that pose risk.

Seepage, buried springs, blocked drainage, and localised slumping / failure has also historically been noted in places at the toe of the western slope.

Previous third-party works indicated that the slopes were stable at the time of assessment, however, localised erosion and minor slumping had occurred. Changes to groundwater levels, removal of vegetation, cutting into existing slopes or a failure of the basal drainage system were considered as potential triggers for any future slumping.

View from the Lower Plateau to the Embankment

View from the Upper Plateau to the M1 Motorway

# Remediation and Regeneration

**The site, given its historic heritage, presents a risk to the environment and a risk to its users in its current state. The development of the site provides an opportunity to remediate the disused spoil heap and remove the opportunity for nuisance behaviour on the site.**

The ground is weak and subject to ongoing mining induced settlement and collapse. The materials in the made ground across the whole site contains in soil contaminants that are potentially harmful to humans and that can potentially leach into watercourses.

To restore the site to a standard suitable for development and for use as parkland a significant earthwork and remediation exercise will be needed across the whole site.

Existing made ground (mining stockpiles), will have to be temporarily removed to treat mine workings that lie beneath them (this equates to approximately 3 million m3 of material). This will be done in stages to ensure material volumes are well managed and that placement of materials after treatment is undertaken in a controlled manor.

Mineworking will be grouted, and shafts capped to the satisfaction of the Coal Authority to ensure that the risk of collapse, and migration of collapse to the ground surface is managed.

The existing stockpile height would be reduced in total height and spread over a larger area to create a development platform for industrial units. The material will be placed to an approved engineering specification to limit settlements on new development. The reinstated stockpiled material will have slopes not steeper than 1:3 to ensure their long-term stability.

Contaminated areas will be remediated and capped with appropriate depths of clean cover material to protect the environment and users of the site.

The existing pond will be lined and made larger to act as a surface water balancing pond for rainwater. Groundwater contamination would be treated, and a suitable sustainable urban drainage system installed to protect downstream watercourses and rivers.

Embankments, adjacent woodland and pathways would be created to create an improved environment for local residents and workers to enjoy. Preventing Anti-social Behaviour

### Preventing Anti-social Behaviour

Currently the site is used for anti-social behaviours. There have been numerous complaints that the site is used, illegally for off-road motorbiking and quad-biking by trespassers. The scale of the site makes securing it against these activities an extremely difficult task.

The development of the site will remove the opportunity for these illegal activities.

### Delivering New Jobs

The site forms a large area located closely to Chapeltown. The delivery of new employment will support creation of new jobs for the town, Sheffield and the Region.

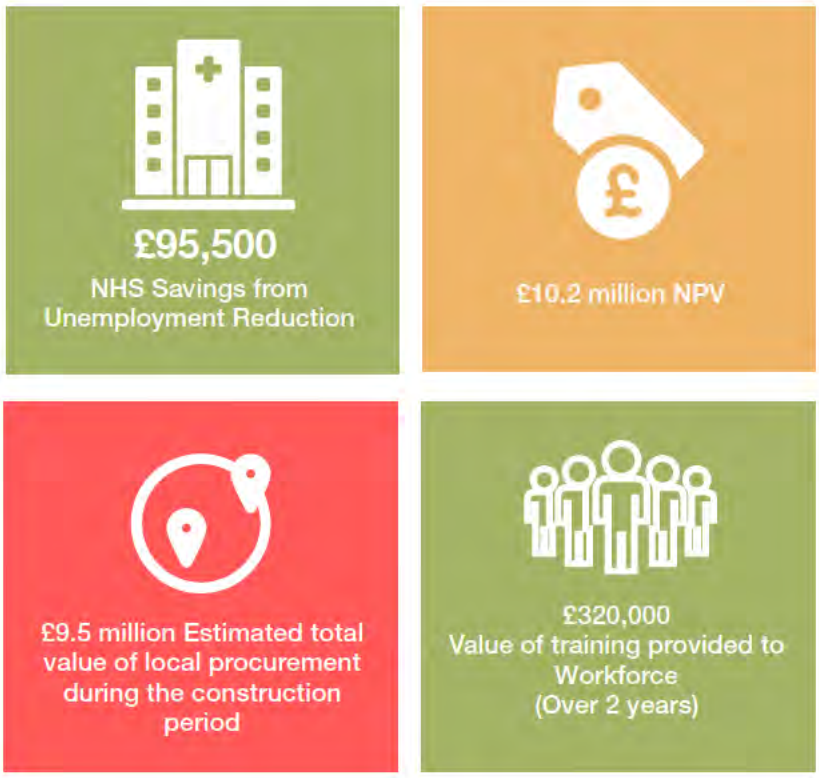
# Socio-Economic Benefits

**In terms of economic benefits the scheme would generate new employment during the construction and operational stages. It would also generate Gross Value Added (GVA), and business rates for Sheffield City Council. The Proposed Development would help to create apprenticeships, NHS savings from any reduction in unemployment, and support local businesses through local procurement during the construction stage.**

The following assessments are made on a land use of approximately 95,000 sqm (1,000,000+ sqft) GIA of warehouse floorspace, measured and calculated as B8.

Savills estimate that the construction phase will generate around 656 onsite construction job years over the duration of the construction process.

GVA is an indicator of wealth creation, that measures the development proposals' contribution to the economy. We have based our estimates on the GVA generated per worker in Yorkshire & the Humber and the estimated number of operational jobs using the Industry Labour Productivity by Region (2019) . The projected figure results in an additional GVA increase of £44 million.



658 On-site Jobs During Construction

1,166 Operational Jobs

**GVA**

£44 Million

£2 Million Estimated Business Rates per Annum

£108,635 Social Value of Apprenticeships (Over 2 years)

£13.6 million Cumulative Business Rates to Sheffield up to 2024

# Highways

**BWB Consulting Ltd (BWB) has been appointed by Rula Developments Limited to prepare this Site Access Appraisal (SAA) to support the proposed allocation of land at Hesley Wood in Chapeltown, Sheffield ("the Site") for employment uses through the Sheffield City Council (SCC) Local Plan.**

The site lies to the west of the M1 motorway and c300m to the north-west of M1J35. M1J35 is a large grade-separated roundabout connecting with the A629 east of the junction, A629 provides access to Rotherham and to the west, the A629 connects to Chapeltown as Cowley Hill/Lane.

Cowley Hill runs immediately south of the site but there is limited highway frontage. Approximately 180m to the west of M1J35, Smithy Wood Road joins A629 Cowley Hill at a priority-controlled junction. Smithy Wood Road is a cul-de-sac that provides access to 'The Traveller's' public house, there appears to be occasional use of Smithy Wood Road by drivers potentially car sharing.

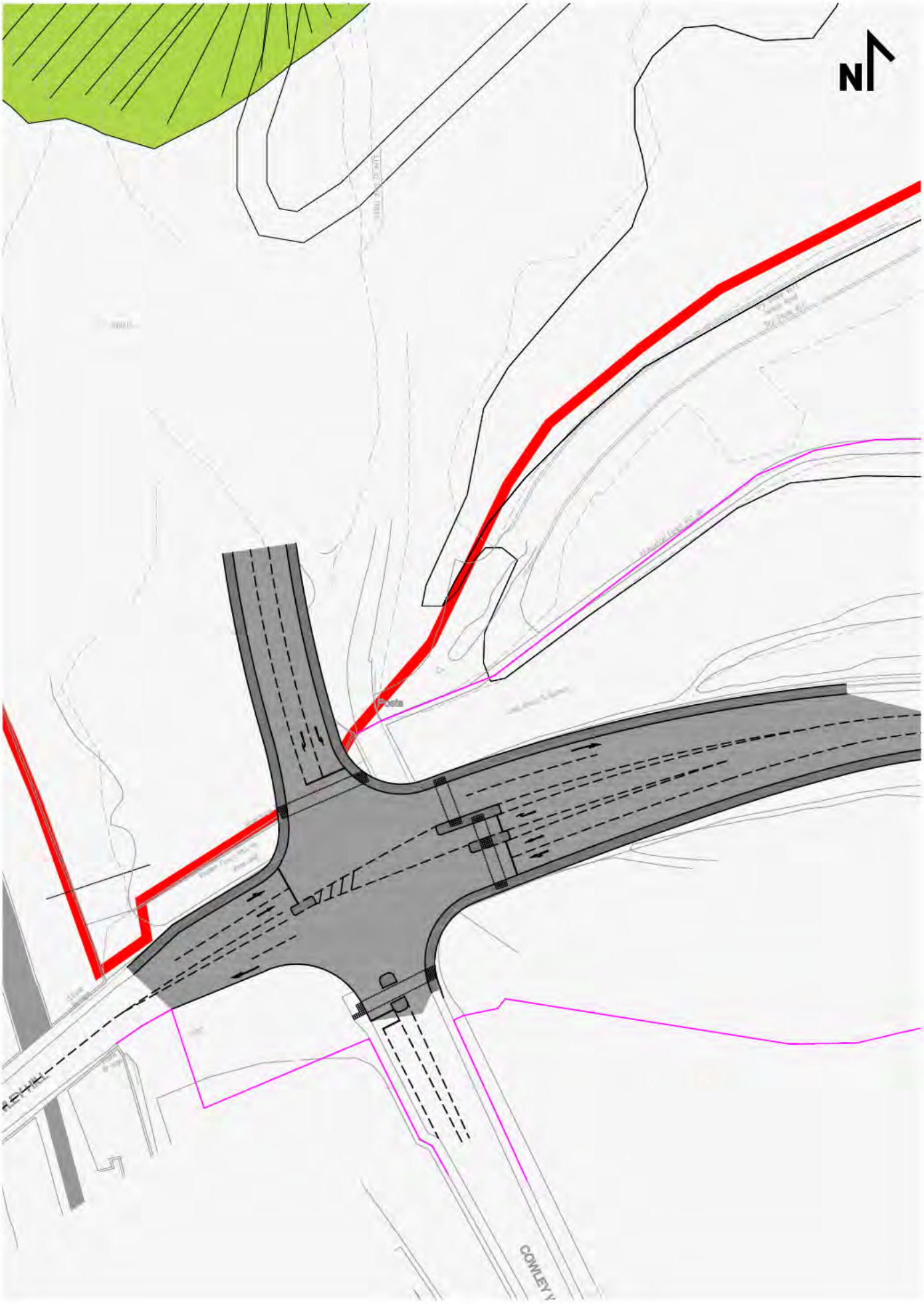
A further 275m to the west, Cowley Way joins A629 Cowley Hill at a signal-controlled junction with the former providing access to a business park. Cowley Hill joins B6087 Nether Lane c.180m west of Cowley Way at another signal-controlled junction.

Cowley Lane continues to provide access to/from Chapeltown village, joining Burncross Road, A6135 Ecclesfield Road and Station Road at a four-arm roundabout. Station Road heads north and becomes White Lane before crossing M1. A minor road, also named White Lane, routes south from (the main) White Lane and provides access to the Hesley Wood Scout Activity Centre.

The Plans opposite illustrate how highways access from Cowley Way could be achieved. This access provides an additional arm to an improved Junction at A629/Cowley Way.

Incorporating the proposed widening of arm at Cowley Way/A629 initial assessment reveals that there is sufficient capacity at the junctions to service a development of approximately 1,000,000ft2.

Therefore, there are no insurmountable constraints that preclude development.




*Proposed Green Belt Boundary Alterations*

# Sustainable Travel

**A large proportion of the site is within walking distance of Chapeltown Railway Station and the town centre. J35 Sheffield Gateway is an opportunity to create a sustainable employment site on the edge of the town centre. The scheme can be designed to encourage employees to choose to walk and cycle to work.**

In terms of pedestrian facilities within the vicinity of the site, there is footway on the northern side of A629 Cowley Hill, which is approximately 2.0m wide. This footway converts into a shared foot/cycleway for approximately 100m at the A629 Cowley Hill/Cowley Way signalised junction. At the A629 Cowley Hill/Cowley Way signalised junction, there are two staggered pedestrian refuge islands with dropped kerbs and tactile paving provided at both, which facilitate pedestrian movement across both sides of A629 Cowley Hill and Cowley Way.

A 3.0m wide shared foot/ cycleway is provided on the northern side of A629 Cowley Hill, with the provision extending to for approximately 100m at the A629 Cowley Hill/Cowley Way signalised junction. Furthermore, there is an Advanced Stop Line for cyclists provided at the Cowley Way approach at the A629 Cowley Hill/Cowley Way signalised junction.

The closest bus stop is located on A629 Cowley Hill approximately 250m from the Site and provides access to bus services 135 and 635.

There are more bus stops with more frequent bus services available, located along the B6546, adjacent to Market Street and is approximately 550m walk distance measured from the bus stop on the B6546, along Chapeltown Park to Blackburn Valley Trail, which forms the western boundary of the site.

Chapeltown Station is accessible by walking or cycling from the Site and is approximately 550m to the north of the Site measured from the Station, along Chapeltown Park to Blackburn Valley Trail, which forms the western boundary of the site.

Chapeltown Station provides services southwards to Sheffield and northwards to Leeds and Huddersfield. Off-Peak weekday service frequencies are generally 2 trains per hour to Sheffield and 1 train per hour to Leeds and Huddersfield. Chapeltown Station has 8 cycle storage spaces located within the station forecourt.


*Sustainable Transport Connections*


400m from Railway Station
800m from Railway Station
Regraded and Enhanced Scout Field
M1 Motorway
Railway
Cowley Hill

# Landscape

**The site is predominantly an area of former colliery spoil land. An appraisal of the existing landscape condition has been carried out by TPM Landscape. The site requires significant remediation through ground engineering, contouring and capping to restore and enhance existing woodland.**

The site is almost entirely covered by spoil from the former colliery site, and is therefore in a very poor landscape condition, with potential contaminants harmful to health.

Although there is no formal public access to the site, the scale of the site boundaries means that the site is used (without consent) by the public for informal recreation (dog-walking, mountain biking, 4x4 vehicles etc), and the potential contaminants are therefore of major concern, as are the extremely steep slopes of the spoil, and other hazardous objects and materials across the site.

The development proposals will include a substantial amount of landscaping which will soften the built form and will, over time, provide a longer-term and more diverse tree structure than the self-seeded pioneer species. A Landscape Framework Plan will accompany the LVIA, which will describe mitigation measures to reduce potential visual impacts, and which will help inform the masterplan proposals.

The main part of the proposal site is almost entirely colliery spoil which lies in steep mounds upwards of 10-30m high. These spoil mounds have started the process of becoming populated by self-seeding pioneer tree species such as birch and willow, however these types of trees are short lived and do not provide a well-balanced longer term tree cover, which would also include climax species such as Oak and a more diverse understorey.

The illustrative proposal also includes works to the land to the east of the site, owned and used by the Hesley Wood Scouts, and the overall proposal will seek to remediate their land as well, as it is understood to be the location of many former 'mine entry' sites, and which will therefore provide a long term benefit to the scouts. The development masterplan will also seek to create new footpaths which will link to the wider footpath network, and increase connectivity with Chapeltown.

*Existing Spoil Heap*

# Ecology

**Brooks Ecological have undertaken a high level Preliminary Ecological Appraisal of the J35 Sheffield Gateway site. The appraisal was underpinned by previous ecological surveys carried out in 2011. There are a range of habitats within the site including those of high, medium and low distinctiveness. This inludes some ancient woodland to the north and south of the site but the design of the scheme has been able to avoid impact on it.**

There are no statutory designated sites within the 2km of the site, the site does not lie within any Site of Special Scientific Interest (SSSI) Impact Risk Zone. There are eight non statutory designated sites within 2km of the site. Three are of potential relevance to the site as they overlap with or adjacent to the site. They include: Smithy Wood LWS 190 to the south of the site; Hesley Tip LWS 187 overlaps the site; Hesley Wood and Chapeltown Park LWS to the north of the Site.

### Ecological Implications

The access from Cowley Way (Western) is via an access track which lies within an area defined as 'other woodland'. The impact of the development and access through this area should be minimised and mitigated.

It is noted that the woodland to the west of Smithy Wood Road is damaged by quad biking and tipping.

The woodland to the east of Smithy Wood Road is similar but it is more open woodland. The woodland to the east is separated from the track by a circa 8m strip of vegetation that has been previously cleared and managed in the past.

Considered design will be able to minimise impact on both 'other woodland' and indirect impacts of development on Ancient Woodland. Minimising disturbance to soil profiles and retaining and enhancing a buffer between the woodland and the access road(s).

### Ancient Woodland

The access to the site from Cowley Hill passes ancient woodland on the southern boundary of the site, though the access does not pass within 15m of the woodland. Therefore, it is considered that the vehicular access to the site from Cowley Hill can be achieved without impact on the ancient woodland.

### Biodiversity NET Gain

It is recognised that the development of the site will require that a NET gain in the Biodiversity of the site. Whilst the eastern (upper) plateau is relatively barren of biodiversity the western plateau (lower) has established a habitat since the pit was abandoned. The landscaping proposals associated with the development and subsequent management can be used to improve the biodiversity within the western plateau and associated woodland.

The ecology team will inform the masterplan/Green Infrastructure Plan in order to ensure that proposals consider the NPPF hierarchy of avoid, mitigate, compensate and minimise any loss of biodiversity.

The proposed scheme is therefore achievable in accordance with the Framework.


N
u1b
h3h
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w1g
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# Geology and Ground Conditions

**A detailed review of ground based technical information related to ground conditions has been prepared by BWB. The review has established that there are no insurmountable issues relating to ground conditions which would prevent the site from being developed to accommodate employment uses.**

Based on a review of previous works completed at the site and other desk study information, up to 30m of Made Ground predominantly comprising dark brown and black, clayey Gravel of mudstone, siltstone and coal (Colliery Spoil) has been identified.

At the western section of the site, the Made Ground reduces in thickness (typically 4 – 5m thick, but up to 12.2m thick where secondary spoil heaps were present).

The Made Ground is underlain in places by up to 3m of firm to stiff, grey and orange mottled, silty Clay with ironstone cobbles (weathered Pennine Lower Coal Measures Formation), overlying interbedded horizons of light brown, thinly laminated sandstone, grey mudstone and grey sandstone with subordinate coal seams and ironstones (Pennine Lower Coal Measures Formation).

For the solid geology, a 4° dip to the north east is generally indicated but locally deviations could occur, particularly in the vicinity of the east north east to west south west trending geological fault that is recorded to cross the northern section of the site. This fault downthrows strata to the north.

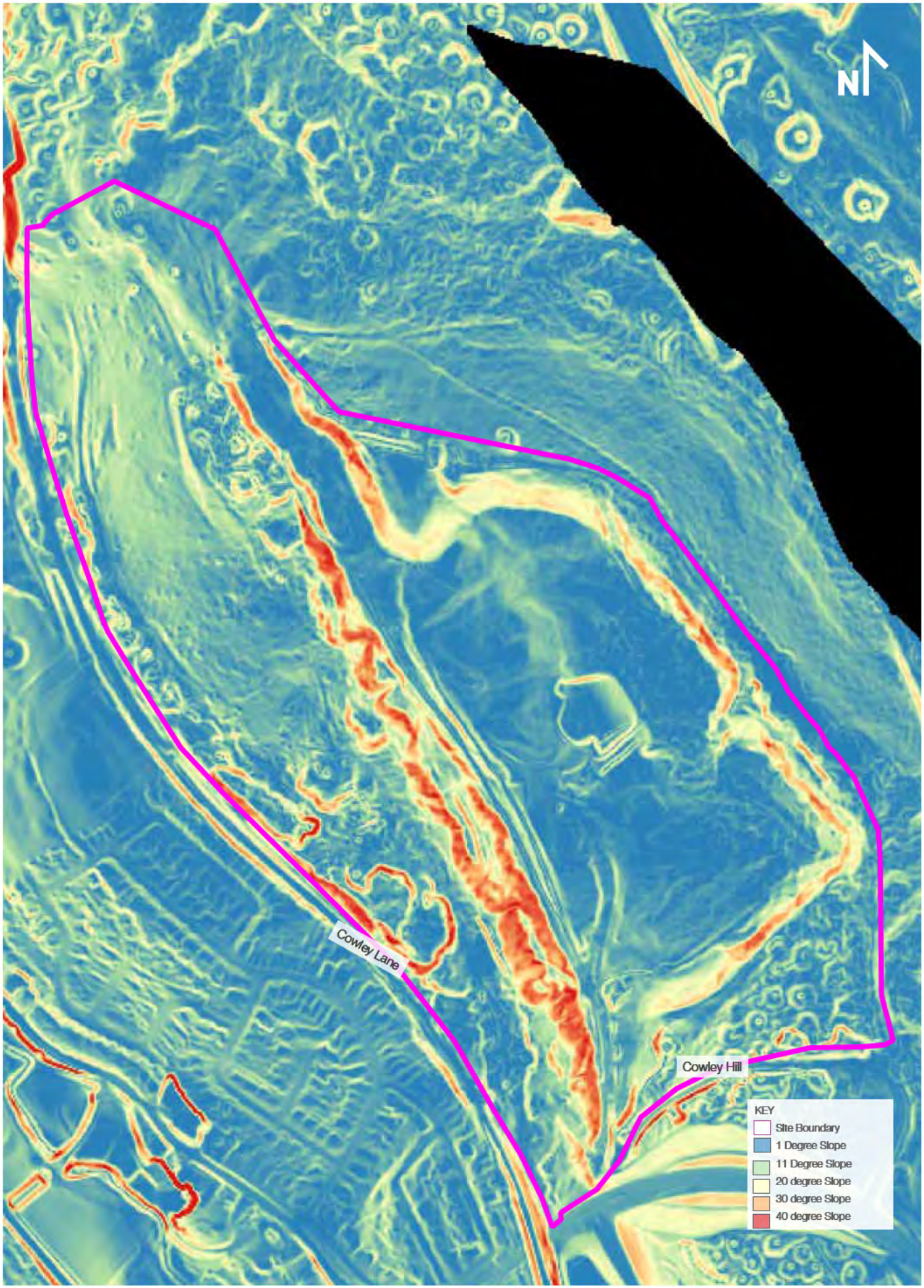
The Parkgate Coal Seam outcrops within the northern and possibly the south eastern sections of the site. Local BGS borehole information and previous Site Investigation (SI) works indicate that this seam is between 1.55m and 2.90m in thickness; although BGS memoirs indicate that it may be up to 3.90m thick in places.

The Thorncliffe Thin Coal outcrops roughly through the centre of the site and trends generally from north west to south east. On-site BGS borehole information and previous SI works indicate that this seam is between 0.30m and 0.70m in thickness; although BGS memoirs indicate that it may be up to 3.10m thick.

Although not represented on BGS Geological Maps the White Mine Ironstone (a succession indicated to be around 5.8m thick) could be present just above the Thorncliffe Thin Coal Seam and a similar bed of ironstone called the Yellow Mine Ironstone may be present immediately below the Parkgate Coal Seam.

The Claywood Ironstone (a succession up to 7m thick) also lies between the Thorncliffe and Silkstone Coal Seams and could outcrop within the south western section of the site. The Silkstone Top and Low outcrop between 70m and 180m to the west of the site boundary. Local BGS borehole information indicates workable coal thicknesses of 0.75m for the Top and 0.85m for the Low; although BGS memoirs indicate that a combined thickness of up to 2.3m. These coals dip beneath the site and could be present at shallow depth close to the site southwestern boundary.

Therefore, there are no significant issues with regards to ground conditions which will prevent the site from being delivered for employment use.




*Topography and Ground Conditions*

# Flood Risk and Drainage

**The site is shown by the Environment Agency to be located in Flood Zone 1, with 2 existing ponds on site. Establishing an appropriate drainage strategy as part of the development would improve existing water quality and aid in irrigating the ancient woodland, located to the south, whilst managing surface water run off effectively.**

The attenuation likely required can be accommodated within the existing, enhanced pond, swales and attenuation tanks within the development site.

The attenuation will be connected via a series of gravity sewers which will convey restricted flows to the off-site outfall positions. The most likely surface water outfalls for the development are on the sites western and southern boundaries. It is understood that there is a watercourse on the western boundary of the site, which eventually discharges into the Blackburn Brook, located approximately 350m to the south of the site. Surface water mapping shows a flow route on the expected alignment of the culvert. There is also the potential to utilise drainage infrastructure on the southern boundary of the site, understood to be within the highway (Old Cowley Hill).

In both cases further review/ investigation will be undertaken to confirm the suitability of the outfall and to ensure that the development has no adverse impact on flood risk in the area.

A range of Sustainable Drainage System (SuDS) features will be considered, this includes, but is not limited to; attenuation basins, permeable paving, swales, rain gardens and tree pits. SuDS measures should be incorporated with the four SuDs pillars being considered; water quality, water quantity, recreation and biodiversity.

The development of the site would allow for an appropriate drainage strategy to be put in place to stop contaminated run-off reaching ponds and surrounding land and is therefore suitable to come forward for employment purposes.


*Flood Risk*


N
M1 Motorway
Balckburn Valley Trail
B6087
Cowley Hill
owley Lane

# Utilities

**A search of records of the existing utility services within the proximity of the site were requested from the relevant utility companies. It is unlikely that there are any utility connections on the site, and anticipated electric, gas and water needs can be met with upgraded connections.**

A report provided by BWB states it is unlikely that there are private supplies and utility connections within the site boundary. Due to the current use of the land we expect there will be minimal private services and where present low risk in nature.

There are existing utilities connections along Cowley Hill that would be available to connect to.

It is anticipated that some upgrades to the existing utility network infrastructure will be required to accommodate the anticipated electric, gas and water demands. Applications will be made as the proposal progresses.


N
M1 Motorway
Regraded and Enhanced Scout Field
Smithy Wood Road
Cowley Hill

# Air Quality


The site is located within the Sheffield Citywide Air Quality Management Area, which was declared by SCC for the potential exceedance of annual mean and one-hour nitrogen dioxide (NO2) and the 24-hour PM10 air quality objectives. To accompany the planning application, an Air Quality Assessment will be provided which will consider both construction phase dust and operational phase road traffic emissions.

Therefore, there are no significant issues with regards to air quality which will prevent the site from being delivered for employment use.

# Noise


The anticipated key noise sources to be considered at existing receptors in relation to fixed plant and building service noise, Heavy Good Vehicles (HGVs), and car movements associated with car parks usage.

The nearest existing noise sensitive receptors have been identified as residential dwellings along White Lane and Coppice Rise to the north, Hesley Bar to the south east, beyond the M1 Motorway, and dwellings adjacent to the Blackburn Valley Trail along the western boundary of the site. To accompany the planning application, a Noise Impact Assessment will be undertaken. The development proposals will seek to mitigate any noise impact through sensitive, iterative design as our plans progress moving yards and car parking away from sensitive receptors.

Therefore, there are no significant issues with regards to noise which will preclude development of the site.

# Energy and Climate Change

**Recognising the importance of achieving efficient and sustainable buildings the design team, main contractor and product manufacturers will work closely during the design and construction stages of the development to achieve the delivery of highly insulated and well-constructed buildings.**

A "fabric first" approach shall be adopted. The construction design will incorporate fabric U-values that are equal or better to the notional values (not minimum values) stipulated in current Building Regulations Part L (2021) and an air test result that offers a 60% improvement on Building Regulation requirements will be achieved. A Thermographic survey shall be undertaken post completion as part of the overall commissioning procedure.

The construction values and proposed energy saving strategies and building services will ensure the developments complies with latest Building Regulations Part L (2021) and achieve an "A" rated Energy Performance Certificates (EPC).

To reduce site combustion of fossil fuels an all-electric strategy shall be proposed for the developments building services. Renewable technologies shall include air source heat pump heating, with beneficial cooling (to office areas) and roof mounted photo voltaic panels providing on-site energy generation.

Energy saving strategies shall include a minimum of 10% roof lights (to industrial and warehouse areas), low energy LED lighting with automated presence and daylight sensor controls and natural or mechanical ventilation with heat recovery systems (to office areas).

External lighting for each development will again utilise LED technology. Controls shall ensure the lighting is not on during daylight hours and provide the facility to switch off the external lighting during prescribed night time hours for example 11pm to 7am. The luminaires design shall prevent upward light and back shields will also be installed as required to prevent nuisance light spill on any adjacent sensitive areas.

Provision for electrical vehicle charging points and cycle storage shall be provided as stipulated by the travel plan and in accordance with the requirements of the Local Authority.

Water saving devices implemented on all developments shall include isolating solenoid valves on cold water supplies, low water use sanitary ware and water leak detection and alarm systems.

Rain water harvesting systems to provide grey water sanitary flushing and to serve vehicle wash facilities shall also be considered.

A BREEAM New Construction 2018 Excellent rating will be targeted and in addition to the BREEAM assessment and recognising the importance of sustainable buildings, the appointed contractor shall be required to register the development with the Considerate Constructor Scheme (CCS) and manage the construction site impacts in accordance with the CCS and further BREEAM site management requirements.


A 'fabric First' approach will be adopted and high insulated and well-constructed buildings will be delivered
Consideration of communal and welfare areas within the development for employees
N
M1 Motorway
Retained and improved woodland and natural pastures around the site will be free from contaminants
Regraded and Enhanced Scout Field
Water saving devices will be implemented across the development
The development will connect to the network of existing cycle routes that surround the site.
The development will connect to the network of existing pedestrian routes that surround the site.
Cowley Hill
Energy Saving strategies integrated into design of buildings from inception


Option One -
100,000 sqft+ Units


Option Two -
Variation in Unit Sizes

# Phasing and Delivery

**The robust demand and supply analysis completed by Savills, coupled with the advice of local and national commercial property agents, has established a clear need for new industrial and logistics floorspace at Hesley Wood, within the projected delivery timeframe, as evidenced by the unprecedented rental growth projections and historic low vacancy rates.**

The indicative site plans show the scale of potential development on a single development plateau and how units may be positioned within the boundary to accommodate big-box logistics whilst maintaining flexibility to accommodate small and mid-box industrial space as market demand dictates.

Upfront enabling works packages will be delivered as a first phase of development to include access, utilities, and drainage infrastructure, as needed to position the site, and optimise occupier and inward investment appeal.

Early reclamation forms a key part of the delivery strategy as a single phase whereby existing made ground, mining stockpiles, will have to be temporarily removed to treat mine workings that lie beneath. The made ground would then need to be reinstated to a suitable engineering specification to ensure that it is stable enough to support the proposed uses. The reinstated stockpiled material will have slopes not steeper than 1:3 to ensure their long-term stability.

Contaminated areas would to be remediated and capped with significant depths of clean cover material to protect the environment and users of the site while enhancing the biodiversity of the site and integrating the development into the landscape.

The existing pond will be lined and made larger to act as a surface water balancing pond for rainwater. Groundwater contamination would be treated, and a suitable sustainable urban drainage system installed to protect downstream watercourses and rivers.

A marketing strategy will be implemented to align with the delivery of key project milestones ensuring accelerated delivery of industrial and logistics floorspace on flexible terms allowing for both leasehold and freehold transactions, either on a single or multi-phase basis, to meet the identified need delivering significant socio-economic benefits to the area.

### Viability

The suitability of the site has been assessed across a variation of uni sizes to confirm that the site could be brought forward to meet varying market conditions.

Extensive surveys, reports and design work have been commissioned to determine the physical and environmental characteristics of the site and its future development potential informing a delivery strategy.

This has required technical input from specialist professional advisors including quantity surveyors, civil and structural engineers, architects, ecologists, transport consultants and the early engagement of a specialist remediation and earthworks contractor, all of which has informed a residual appraisal determining the site is financially viable.


N
The proposed scheme has the potential to provide over
1m sqft
of employment space
GVA
£44 Million
£2 Million
Estimated Business Rates per Annum
1,166 Operational Jobs
£108,635
Social Value of Apprenticeships
(Over 2 years)
£320,000
Value of training provided to Workforce
(Over 2 years)
658 On-site Jobs During Construction



# Conclusion

**The land at J35 Sheffield Gateway presents a significant opportunity to create a high quality employment site adjacent to Junction 35 of the M1 motorway and remediate a previously developed derelict site. The proposal addresses the mining legacy, removes unneighbourly uses and brings forward and significant environmental improvements to the scout camping field and lake plus significant new jobs for the area.**

This Delivery Report has shown that the site at J35 Sheffield Gateway provides a unique opportunity to create a sustainable employment scheme. The proposed scheme can create new employment adjacent to Junction 35 of the M1 motorway. This employment will also be close to existing services, facilities and accessible from a range of public transport. The proposed scheme is close to Chapeltown town centre and railway station, which is 800m away. The scheme can also connect to and enhance existing wildlife and active travel networks. This approach will enhance the employment offer and can assist with the regeneration of Sheffield through the provision of attractive modern premises and the creation of new jobs.

The proposed development will make efficient use of this former coal workings, located on the edge of Chapeltown and Sheffield. The redevelopment of the site will also remove anti-social behaviour and unneighbourly uses, which are attracted to this derelict site. The remediation of this site will also address wider historical mining issues in the area by restoring the Scouts camping field and addressing pollution issues in the lake. Therefore, the proposed scheme will create significant environmental and social enhancement.

The delivery of the J35 Sheffield Gateway scheme will therefore generate significant benefits for Sheffield and the wider region through the creation of direct and indirect job opportunities, alongside environmental improvements, stimulating the local economy, adding value and changing perceptions for the area.

Rula Developments have a legal agreement with the landowner and control the site. The site is therefore "available" and can be delivered in accordance with the Framework.

It has been shown that the site is suitable for development. The site is in a sustainable area close to Chapeltown town centre and a range of services and facilities and public transport routes. The site lies in the Green Belt and this Delivery Report confirms there are exceptional circumstances supporting the release of the site from the Green Belt due to the urgent need to meet Sheffield's employment need and ambitions for growth. The site is previously developed and derelict land and in accordance with the Framework consideration should be given first to such sites when releasing land from the Green Belt. Therefore the site is "suitable" for employment development in accordance with the Framework.

The site has been reviewed against the Framework and criteria for allocating sites. It has been shown that there are no major constraints to the development of the site and that the site can be delivered in the Local Plan period. The site is therefore "achievable" in accordance with the Framework.

The technical work undertaken has informed the indicative masterplan and demonstrates that the proposed development platform will support over 1,000,000 sqft of new employment. The proposed scheme can come forward from the identified access off Cowley Hill. As such, the development of the site, as shown within the indicative masterplan, is considered to be achievable.

spawforths

Rula Developments

# Former Hesley Wood Tip

## Green Belt Assessment

February 2023

# Contents

# 01 Introduction

## Purpose of Review

**1.1** Spawforths have been instructed by Rula Developments (Rula) to undertake an assessment of the South Yorkshire Green Belt in the context of Sheffield City Council administrative area with specific reference to their site at the former Hesley Wood tip. Consequently, this review therefore only covers those parts of the Green Belt designation falling within Sheffield City Council and more specifically at the former Hesley Wood tip. As such, this review is not intended to be a strategic assessment of the wider Green Belt but is instead to be a site specific assessment of the Green Belt in order to satisfy national policy objectives in relation to the site at Hesley Wood.

**1.2** The Review considers the national and local policy context, prior to reviewing the Green Belt at the former Hesley Wood tip, known as J35 Sheffield Gateway, against the five purposes of the Green Belt.

# 02 National Planning Policy Context

## National Planning Policy and Guidance

### National Planning Policy Framework (The Framework)

**2.1** The Framework sets out the Governments' planning policies for England and how it expects these to be applied. It contains a presumption in favour of sustainable development, which it defines as having three dimensions: economic, social and environmental. The Framework must be taken into account in the preparation of local and neighbourhood plans, and is a material consideration in planning decisions.

**2.2** Government policy on the protection of Green Belt is set out in section 13 of the Framework. Key paragraphs are detailed as follows:

**2.3** Paragraphs 137 and 138:

*"137. The Government attaches great importance to Green Belts. The fundamental aim of Green Belt policy is to prevent urban sprawl by keeping land permanently open; the essential characteristics of Green Belts are their openness and permanence.*

*138. Green Belt serves five purposes:*

- *to check the unrestricted sprawl of large built-up areas;*
- *to prevent neighbouring towns merging into one another;*
- *to assist in safeguarding the countryside from encroachment;*
- *to preserve the setting and special character of historic towns; and*
- *to assist in urban regeneration, by encouraging the recycling of derelict and other urban land."*

**2.4** Paragraph 139 advises that:

*"139. The general extent of Green Belts across the country is already established and new Green Belts should only be established in exceptional circumstances, for example when planning for larger scale development such as new settlements or major urban extensions."*

2.5 Paragraph 140 advises that existing Green Belt boundaries should only be altered where exceptional circumstances are fully justified through preparation or updating of Plans. The new boundaries should have permanence in the long term and be capable of enduring beyond the plan period.

2.6 Paragraph 142 confirms that:

*"142. When drawing up or reviewing Green Belt boundaries, the need to promote sustainable patterns of development should be taken into account. Strategic policymaking authorities should consider the consequences for sustainable development of channelling development towards urban areas inside the Green Belt boundary, towards towns and villages inset within the Green Belt or towards locations beyond the outer Green Belt boundary. Where it has been concluded that it is necessary to release Green Belt land for development, plans should give first consideration to land which has been previously-developed and/or is well-served by public transport. They should also set out ways in which the impact of removing land from the Green Belt can be offset through compensatory improvements to the environmental quality and accessibility of remaining Green Belt land."*

2.7 In relation to boundaries, paragraph 143 advises that:

*"143. When defining Green Belt boundaries, plans should:*

*a) ensure consistency with the development plan's strategy for meeting identified requirements for sustainable development;*

*b) not include land which it is unnecessary to keep permanently open;*

*c) where necessary, identify areas of safeguarded land between the urban area and the Green Belt, in order to meet longer-term development needs stretching well beyond the plan period;*

*d) make clear that the safeguarded land is not allocated for development at the present time. Planning permission for the permanent development of safeguarded land should only be granted following an update to a plan which proposes the development;*

*e) be able to demonstrate that Green Belt boundaries will not need to be altered at the end of the plan period; and*

*f) define boundaries clearly, using physical features that are readily recognisable and likely to be permanent."*

## National Planning Practice Guidance (PPG)

2.8 The PPG provides guidance to support and expand on policies within the Framework, and in that sense does not provide additional policy but rather more detailed consideration of how policies within the NPPF should be approached and met. The guidance on the role of the Green Belt in the planning system was updated on 22 July 2019.

**2.9** Paragraph 001, Reference ID:64-001-20190722. Identifies the factors that can be taken into account when considering the potential impact of development on the openness of the Green Belt. It states that these include but are not limited to:

- *"Openness is capable of having both spatial and visual aspects – in other words, the visual impact of the proposal may be relevant, as could it volume;*
- *The duration of development, and its remediability – taking into account any provisions to return land to its original state or to an equivalent (or improved) state of openness; and*
- *The degree of any activity likely to be generated, such as traffic generation."*

**2.10** Paragraph 002 Reference Id 64-002-20190722 sets out the ways in which the impact of removing land from the Green Belt can be offset by compensatory improvements. It considers where it is necessary to release Green Belt land for development, compensatory measures may be informed by supporting evidence of landscape, biodiversity, or recreational needs and compensatory measures could include:

- "*New or enhanced green infrastructure;*
- *Woodland planting;*
- *Landscape and visual enhancements (beyond those needed to mitigate the immediate impact of the proposal);*
- *Improvements to biodiversity, habitat connectivity and natural capital;*
- *New or enhanced walking and cycle routes; and*
- *Improved access to new enhanced or existing recreational and playing field provision."*

NPPG also provides guidance on ensuring that compensatory improvements to environmental quality and accessibility of the Green Belt will be secured (Paragraph 003, Reference ID 64-003-20190722).

## Planning Advisory Service: Planning on the Doorstep: Green Belt (planning advisory service, updated February 2015

**2.11** The Planning Advisory Service (PAS) guidance reflects Inspector's Reports and Planning Practice Guidance at that time. The Guidance states that the purpose of a review is for the identification of the most appropriate land to be used for development, through a local plan.

**2.12** This guidance reiterates that any review of the Green Belt boundaries should involve an assessment of how the land still contributes to the five purposes of the Green Belt. It indicates how the five purposes might be used when undertaking a Green Belt Review:

*"Purpose: To check the unrestricted sprawl of large built up areas*

*The terminology sprawl comes from the 1930s when Green Belt was conceived. Has this meaning changed? Is development that is planned positively through a local plan and well designed with good master planning, sprawl?*

*Purpose: To prevent neighbouring towns from merging into one another*

*Green Belt is frequently said to maintain the separation of small settlements near to towns, but this is not strictly what the purpose says. This will be different for each case. A scale rule approach should be avoided. The identity of a settlement is not really determined just by the distance to another settlement; the character of the place and of the land in between must be taken into account. Landscape character assessment is a useful tool for undertaking this.*

*Purpose: To assist in safeguarding the countryside from encroachment*

*Presumably all Green Belt does this, making the purpose difficult to distinguish the contribution of different areas. The most useful approach is to look at the difference between urban fringe – land under the influence of the urban area- and open countryside, and to favour the latter in determining which land to try and keep open, taking into account the types of edges and boundaries that can be achieved.*

*Purpose: To preserve the setting and special character of historic towns*

*This purpose is generally accepted as relating to very few settlements in practice. In most towns there already are more recent developments between the historic core, and the countryside between the edges of the town.*

*Purpose: To assist in urban regeneration by encouraging the recycling of derelict and other urban land*

*With this one, it must be the case that the amount of land within urban areas that could be developed will already have been factored in before identifying Green Belt Land. If Green Belt achieves this purpose, then all Green Belt does so to the same extent and hence the value of various land parcels is unlikely to be distinguished by the application of this purpose.*

**2.13** The guidance considers that the types of area of land that might seem to make a relatively limited contribution to the overall Green Belt, or might be considered for development through a review of the Green Belt would be:

- Effectively infill, with the land partially enclosed by development
- The development would be well contained by the landscape e.g. with rising land
- There would be little harm to the qualities that contributed to the distinct identity of separate settlements in reality.
- A strong boundary could be created with clear distinction between 'town' and 'country'.

**2.14** The guidance states that there is a need to be mindful of all the other planning matters, in particular sustainability and the overall spatial strategy. Plans should identify for development of the most

sustainable locations, unless outweighed by effect on the overall integrity of the Green Belt, according to an assessment of the whole of the Green Belt.

# 03 Local Planning Policy Context

## Sheffield UDP and Sheffield Core Strategy

**3.1** The statutory Development Plan for the area is the saved policies of the Sheffield Unitary Development Plan, adopted on 1st March 1998, and the Sheffield Core Strategy, adopted on 4th March 2009. However, this Plan pre-dates the Framework and the policy and strategy are presently under review as part of the emerging Local Plan. Figure 1 identifies the current Green Belt boundary as established in the Unitary Development Plan and other allocations in the vicinity of the site at the former Hesley Wood tip.

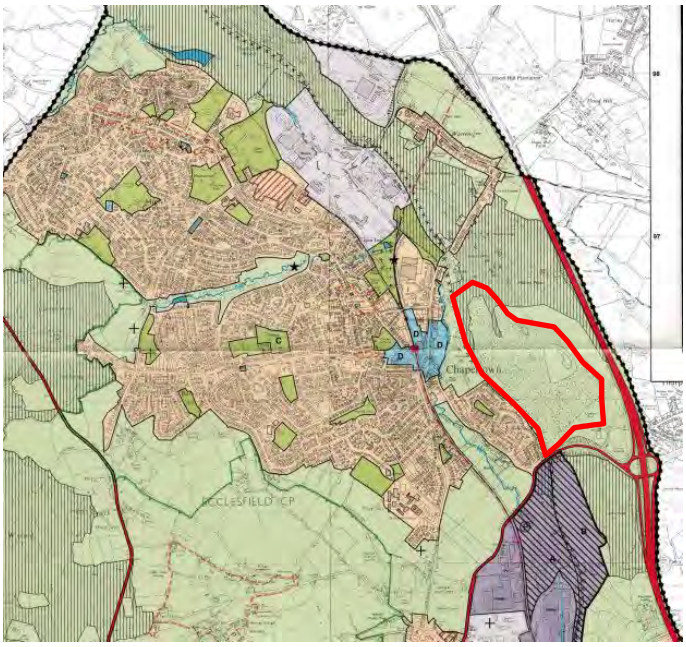


Figure 1. UDP Proposals Map (excerpt), approximate site boundary outlined in red.

**3.2** The Core Strategy, see Figure 2, seeks to focus new development in the Main Urban Area of Sheffield, complemented by Chapeltown/High Green and Stocksbridge/Deepcar and it seeks to direct development to take place mainly on previously developed land and seeks to protect the Green Belt and urban open space. Chapeltown is considered to be an "outer built up area" by the

strategy, it is designated as a Principal Town. However, development is limited to within the existing built up areas.


Figure 2. Sheffield City Council Core Strategy Key Diagram (excerpt).

# Emerging Local Policy: Sheffield Local Plan, City Wide Options for Growth to 2034 (2016)

**3.3** The emerging Local Plan: City Wide Options for Growth to 2034 has identified the need for around 43,000 homes and 25,500 jobs between 2014 and 2034. The options paper is clear that the entire need cannot be met on brownfield land by 2034. It recognises that there needs to be a strategic review of the South Yorkshire and North Derbyshire Green Belt to achieve the level of growth sought in the region. The provisional view expressed is that the: *"majority of Sheffield's Green Belt is too environmentally sensitive to be suitable for development. Areas bordering the Peak District National Park are particularly valuable, and the countryside around Sheffield is one of the city's distinctive characteristics which make it a great place to live."*

**3.4** The growth options paper considers a range of options for meeting the City's growth and indicates that identifying land through range of options including Urban Capacity (option A), Urban Intensification (option B), Urban Remodelling (Option C), Limited number of Urban Extensions into Green Belt (option D), with a small element of smaller Green Belt releases (Option E). The Growth Option paper states that this would include assessing potential Green Belt Sites around the edge of the Main Built Up areas. This would include the built up areas of Sheffield, Stockbridge/Deepcar, Chapeltown/High Green and the three larger villages of Oughtibridge, Worrall and Wharncliffe Side.

**3.5** The options paper consider that Chapeltown/Ecclesfield have a role to provide employment opportunities close to communities and potentially reducing the need to travel long distances. As such it seeks views on acknowledging the strategic importance of Chapeltown/Ecclesfield in terms of providing new employment opportunities close to new homes. In line with the approach of selecting a range of options for Growth of Sheffield Map 5 identifies land between Chapeltown and Ecclesfield as a Main Employment Growth Area (B class uses), and Map 6 of the growth options paper identifies a potential park and ride at the same location.

# 04 The South Yorkshire Green Belt

## South Yorkshire Green Belt Origins

**4.1** The South Yorkshire Green Belt was established in the 1960's. The South Yorkshire Structure Plan (1979 and 1981) set the broad extent of the Green Belt in Sheffield (in addition to the other South Yorkshire Authorities of Rotherham, Barnsley and Doncaster). Since its formation, the South Yorkshire Green Belt has not been reviewed at the sub regional level. Amendments, notably additions to the South Yorkshire Green Belt were proposed in the first round of Unitary Development Plans in the 1990's. Since then, the extent of the Green Belt has been established within the various Unitary Development Plans.

**4.2** The principal purpose of the South Yorkshire Green Belt together with the West Yorkshire Green Belt is to prevent the metropolitan areas of Sheffield, Barnsley, Doncaster, Rotherham and Wakefield from merging and to support the regeneration of these urban centres.

**4.3** Excluding the London Metropolitan Green Belt, the South and West Yorkshire Green Belt is the largest Green Belt in England with 248,241ha of land falling within this designation (Source: Green Belts: a greener future joint report by CPRE AND Natural England January 2010).

**4.4** Circular 42/55 instructed Local Planning Authorities to establish Green Belts several miles wide wherever practicable. The South Yorkshire Green Belt wraps around several major settlements such as Doncaster, Wakefield, Barnsley, Rotherham and Sheffield, and stretches some considerable distance.

## Sheffield Green Belt

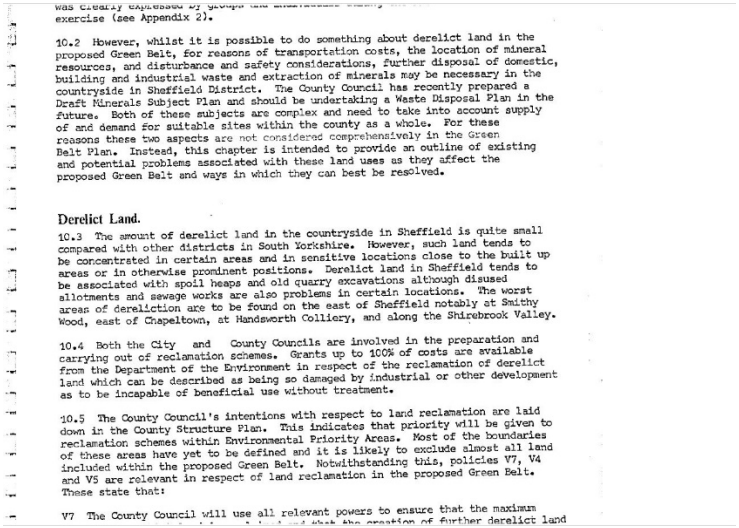
**4.5** The Green Belt around Sheffield was one of the first to be established in 1938. A Green Belt Plan was statutorily adopted in 1983, and most of the policies were included in the Unitary Development Plan 1998 (UDP). The UDP only made two small changes to the Green Belt boundary, to include land off Rushley Avenue, Dore, and a site at Clifton Lane, Handsworth.

**4.6** It is notable that the South Yorkshire Green Belt report when first adopted in 1983 discusses under the heading "Derelict Land" the land at Hesley Wood in the context of problematic

contaminated sites which are within the Sheffield Green Belt. The extract is quoted below and shown in figure 3 :

*"10.3 The amount of derelict land in the countryside in Sheffield is quite small compared with other districts in South Yorkshire. However, such land tends to be concentrated in certain areas and in sensitive locations close to the built up areas or in otherwise prominent positions. Derelict land in Sheffield tends to be associated with spoil heaps and old quarry excavations although disused allotments and sewage works are also problems in certain locations. The worst areas of dereliction are to be found on the east of Sheffield notably at Smithy Wood, east of Chapletown, at Handsworth Colliery, and along the Shirebrook Valley.*

*10.4 Both the city and County Councils are involved in the preparation and carrying out of reclamation schemes. Grants up to 100% of the costs are available from the Department of the Environment in respect of reclamation of derelict land which can be described as being so damaged by industrial or other development as to be incapable of beneficial use without treatment."*



exercise (see Appendix 2).

10.2 However, whilst it is possible to do something about derelict land in the proposed Green Belt, for reasons of transportation costs, the location of mineral resources, and disturbance and safety considerations, further disposal of domestic, building and industrial waste and extraction of minerals may be necessary in the countryside in Sheffield District. The County Council has recently prepared a Draft Minerals Subject Plan and should be undertaking a Waste Disposal Plan in the future. Both of these subjects are complex and need to take into account supply of and demand for suitable sites within the county as a whole. For these reasons these two aspects are not considered comprehensively in the Green Belt Plan. Instead, this chapter is intended to provide an outline of existing and potential problems associated with these land uses as they affect the proposed Green Belt and ways in which they can best be resolved.

**Derelict Land.**

10.3 The amount of derelict land in the countryside in Sheffield is quite small compared with other districts in South Yorkshire. However, such land tends to be concentrated in certain areas and in sensitive locations close to the built up areas or in otherwise prominent positions. Derelict land in Sheffield tends to be associated with spoil heaps and old quarry excavations although disused allotments and sewage works are also problems in certain locations. The worst areas of dereliction are to be found on the east of Sheffield notably at Smithy Wood, east of Chapeltown, at Handsworth Colliery, and along the Shirebrook Valley.

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10.5 The County Council's intentions with respect to land reclamation are laid down in the County Structure Plan. This indicates that priority will be given to reclamation schemes within Environmental Priority Areas. Most of the boundaries of these areas have yet to be defined and it is likely to exclude almost all land included within the proposed Green Belt. Notwithstanding this, policies V7, V4 and V5 are relevant in respect of land reclamation in the proposed Green Belt. These state that:

V7 The County Council will use all relevant powers to ensure that the maximum

Figure 3. Extract from South Yorkshire Green Belt Report.

**4.7** This illustrates how the site at the former Hesley Wood tip is a longstanding derelict site in the Green Belt upon which there have been longstanding plans for re-use and reclamation to make effective use of the land. It also underlines the point made later within this report that the land at Hesley Wood without remediation work is incapable of beneficial use.

**4.8** Policy GE1 of the Unitary Development Plan sets the approach to Green Belt in Sheffield. It states:

*"In the Green Belt, development will not be permitted, except in very special circumstances, where it would:*

- *Lead to unrestricted growth of the built- up area;*

- *Contribute towards merging of existing settlements; or*
- *Lead to encroachment of urban development into the countryside; or*
- *Compromise urban regeneration."*

**4.9** Locally the Green Belt is intended to encourage the regeneration of run down inner areas, and protect the open character of the countryside. It is also stated that the use of land in Green Belts has a positive role to play in preserving areas of open land extending into the urban area which have existing or potential recreational value. It also helps to preserve access to open countryside for recreation purposes.

**4.10** At the time PPG 2 gave advice on defining Green Belt and stated that: *"wherever practicable a Green Belt should be several miles wide, so as to ensure an appreciable open zone all-round the built up area concerned."*

**4.11** The subsequent Core Strategy adopted in 2009 maintained the Green Belt, and stated that it will not be subject to review other than the removal of 'untenable anomalies'. The core strategy Policy CS71 states:

*"Countryside and other open land around the existing built up areas of the city will be safeguarded by maintaining the Green Belt, which will not be subject to strategic or local review. Exceptionally, changes may be made to remove untenable anomalies where the change would not undermine the purposes or objectives of the Green Belt in that area. Development needs will be met principally through the re-use of land and buildings rather than through expansion of urban areas and villages."*

**4.12** In 2014 the Proposed Sheffield City Region Combined Green Belt Review - A Common Approach – August 2014 was published. This states in Sheffield the only way more land can be brought forward is to commence a comprehensive review, including review of the Green Belt Boundary. The document establishes a common approach for the review of Green Belts within Sheffield City Region.

**4.13** The Sheffield Plan: City Wide Options for Growth 2034 established the need for a strategic review of the South Yorkshire and North Derbyshire Green Belt. A Green Belt Review by Sheffield City Council has now being undertaken to inform the Draft Plan, furthermore an addendum to the Green Belt Review has been published in 2022, and this is discussed below.

**4.14** Following the Council's Cooperative Executive decision in February 2022: *"the spatial strategy for the Sheffield Plan has been developed to take account of the preferred spatial option agreed at that stage. It was agreed that Sheffield's housing requirement should be limited to the number of homes that can be accommodated on suitable brownfield and previously undeveloped (greenfield) sites in the existing urban areas and that the release of Green Belt land for development should be limited to sustainably located brownfield sites."*

**4.15** The Green Belt Review Addendum (2022) goes on at paragraph 4.2 to explain: *"In response to this decision a single site is proposed for removal from the Green Belt to enable development. Site allocation SS17 (S04638) will be allocated for housing and open space. We believe that*

*exceptional circumstances exist for release of this site, owing to its previously developed nature and proximity to the existing urban area, in a sustainable location."*

**4.16** Therefore, the approach taken is to only release one site from the Green Belt at Norton Airfield, the justification for this approach is that the site is previously developed land, in a sustainable location, adjacent to the urban area. This description could be equally applied to the former Hesley Wood tip land, therefore a similar approach to that site should be taken, namely removal from the Green Belt due to exceptional circumstances being demonstrated.

# 05 Methodology

## Proposed Sheffield City Region Combined Green Belt Review – A Common Approach

**5.1** To achieve the principles of Duty to Cooperate, it was considered beneficial for all Local Authorities within the Sheffield City Region to share Green Belt Review experience and produce a common approach for future reviews. The common approach is staged and can be summarised as follows:

i. Stage 1: Identify General Areas Within the Green Belt;

ii. Stage 2: Smaller resultant land parcels are drawn up, taking account of excluded areas;

iii. Stage 3: Resultant smaller parcels are assessed against Green Belt purposes

iv. Stage 4: Not yet completed. It will report on which parcels are proposed as options for release from the Green Belt, if this approach is taken through the Local Plan.

**5.2** The Sheffield City Council Green Belt Review (September 2020) follows the above approach. Therefore for the purposes of this review, it is considered appropriate to adopt a methodology that is consistent.

**5.3** The framework for assessing general areas and land parcels against the purpose of the Green Belt is set out below and has been derived from the examples within the common methodology:

## Stage One: Identify General Areas within the Green Belt

**5.4** Stage one involves comprehensively assessing 'strategic areas' or 'general areas' against the five purposes of the Green Belt. It requires the consideration of the extent of the Green Belt around settlements and the identification of general areas around the built form. The common methodology considers that boundary definition of review areas should reflect the Framework:

‘define boundaries clearly, using physical features that are readily recognisable and likely to be permanent’. Examples of durable and less durable boundaries are provided, and reiterated below.

| | |
|---|---|
| Durable/ “likely to be Permanent” features | Infrastructure: Motorway, public and made roads, a railway line, river.<br><br>Landform: Stream, canal or other watercourse, prominent physical features (e.g. ridgeline), protected woodland/hedge; existing development with strong established boundaries. |
| Features lacking in durability/soft boundaries | Infrastructure: Private/unmade roads; power lines; development with weak or intermediate boundaries.<br><br>Natural: field boundary, tree line. |

5.5 It is suggested that Stage One should begin form the internal extent of the Green Belt or an assessment of all settlements.

5.6 This Review does not form a comprehensive assessment for the whole of the authority. The focus of this review is the area between Chapeltown and Ecclesfield, and primarily the land at Hesley Wood. Therefore, the assessment identifies general areas within this geographical extent, through the consideration of the durability of boundaries.

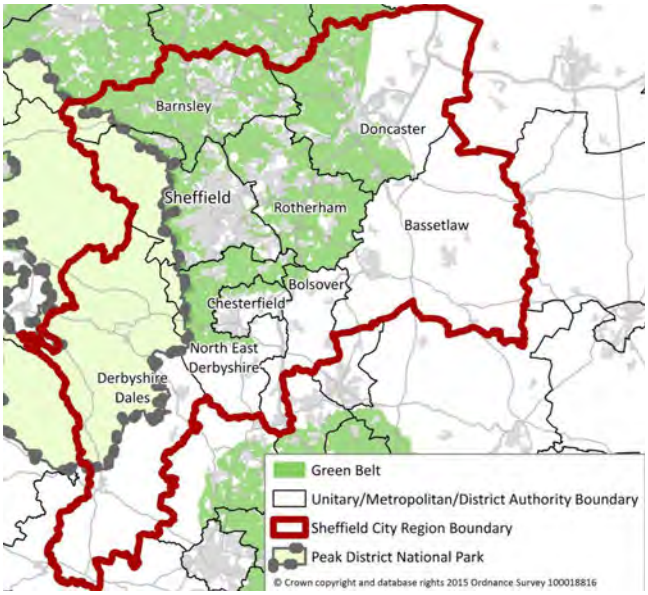


Figure 4: Sheffield City Region - Strategic context for the site.

5.7 Figure 3 illustrates the extent of the Green Belt within the sub region. Figure 4 below shows the extent of the Green Belt between Chapeltown and Sheffield (Ecclesfield).

5.8 The Sheffield City Council Green Belt Review (September 2020) identified 75 General Areas across the district to be reviewed. These are shown in Figure 4 below. Hesley Wood is situated in CN – 1.

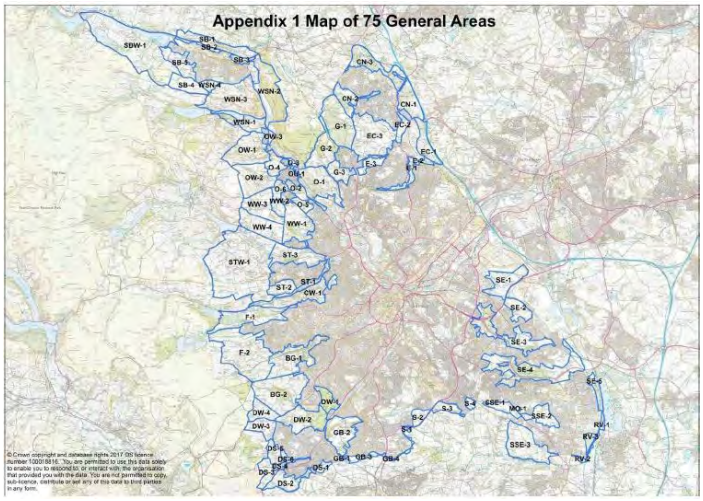


Figure 5: General Green Belt Areas Identified in the Sheffield City Council Green Belt Review (September 2020)

5.9 Figure 5 below, is a zoomed in version of the Figure 4 showing the detail of General Area CN – 1.

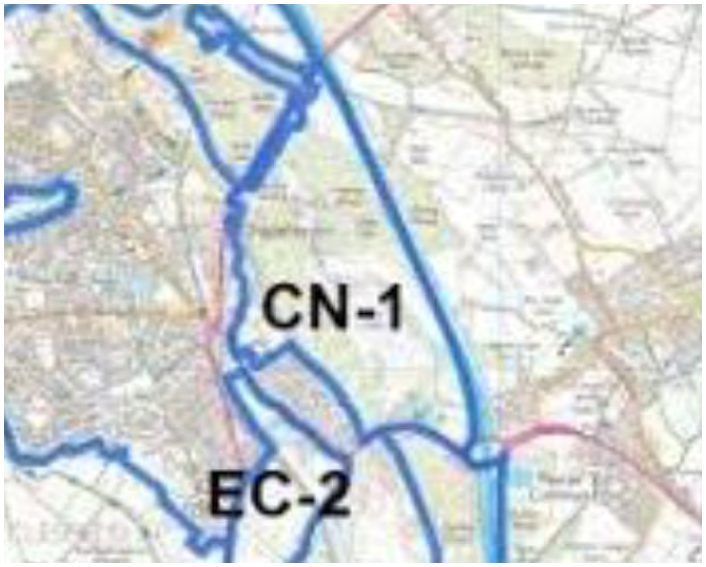


Figure 6: Zoomed in image showing the detailed boundary of CN - 1.

**5.10** Figure 5 identifies the general areas between Chapeltown and Ecclesfield relevant for the purposes of this assessment. This is followed by the general assessment against the five purposes of the Green Belt following the common methodology.

## General Areas: Parcel CN1

**5.11** General Parcel CN1 is a large parcel extending from Blackburn Brook in the west and along Station Road/A6135/White Lane until this meets the M1 motorway to the north. The M1 motorway forms the eastern boundary of the parcel running south to Junction 35 of the M1 motorway. Cowley Hill/A629 forms the southern boundary. Running west the boundary then runs north excluding the existing built residential development at Cowley Drive/Woodburn Drive before meeting Blackburn Brook. Hesley Wood Scout Activity Centre is situated within the northern part of the site with access gained from White Lane. Part of the site is designated as an Area of Natural History Interest within the UDP. In the southern part of the site adjacent to Junction 35 of the M1 motorway there is a Cricket Pitch. The periphery of the site is mainly wooded to the north, west and south, with areas of Ancient Woodland located to the north and south of the site. See figure 6 below which illustrates the areas of the site which are covered in ancient woodland.


Figure 7. Green hatching denotes ancient woodland. Source: Defra Magic Map

**5.12** The site is almost entirely covered by spoil from the former colliery site, and is therefore in a very poor landscape condition, with potential contaminants harmful to health. Although there is no formal public access to the site, the scale of the site boundaries means that the site is used (without consent) by the public for informal recreation (dog walking, mountain biking, 4x4 vehicles etc.) and the potential contaminants are therefore of major concern, as are the extremely steep slopes of the spoil, and other hazardous objects and materials across the site.

**5.13** Regarding the five purposes of Green Belt land an assessment of how Parcel CN1 performs against each is set out below in table format which summarises Spawforths assessment:

## Purpose 1: To check the unrestricted sprawl of large built up areas.

**5.14** The methodology in the GBR (2020) assesses the proportion of the area that lies adjacent to the urban area: "…in order to measure contiguity."

**5.15** The site is contiguous with the existing urban area. Approximately ½ to ¾ of the parcel adjoins the urban area and the site presents some opportunities to round off existing development along the western, northern and southern boundaries with the M1 motorway and ancient woodland to the northern and eastern boundary.

**5.16** Parcel CN1 will require some encroachment in the Green Belt, however the current boundary is not durable in many places and is made up of natural tree lines and development with weak boundaries. A new robust Green Belt boundary could be formed using the durable features of the areas of Ancient woodland and M1 motorway. Therefore Spawforths score for purpose 1 would therefore be 3.

## Purpose 2: To prevent neighbouring towns from merging into one another.

**5.17** With regards to purpose 2, Parcel CN1 is well contained with the M1 motorway to the east, industrial development to the south, Ancient Woodland to the north and Chapeltown to the west. Thorpe Hesley, a settlement in the neighbouring district of Rotherham is on the eastern side of the M1.

**5.18** Development of this parcel will reduce the gap between Chapeltown and Thorpe Hesley. However, this is mitigated by the durable boundary of the M1 motorway and the fact that the fields directly to the east of the M1 motorway are undeveloped.

**5.19** Furthermore, Thorpe Hesley is defined as a Local Service Centre in Rotherham's adopted Core Strategy Parcel and is considered in non-planning policy terms to be a village rather than a town. As set out in the GBR at paragraph 5.15 the Framework only refers to *"preventing neighbouring towns from merging into one another."*

**5.20** It is useful again to refer to the Planning Advisory Service Advice note Planning on the Doorstep (2015) which states, in reference to undertaking planning reviews that:

*"Green Belt is frequently said to maintain the separation of small settlements near to towns, but this is not strictly what the purpose says. This will be different for each case. A scale rule approach should be avoided. The identity of a settlement is not really determined just by the distance to another settlement; the character of the place and of the land in between must be taken into account. Landscape character assessment is a useful tool for undertaking this."*

**5.21** Emphasis has been added to the above excerpt to underline the point that just because development of CN1 would result in a reduction of the distance between Thorpe Hesley and Chapeltown that does not necessarily conflict with Purpose 2.

5.22 Furthermore, due to the intervening landscape and hard durable boundaries comprising of the M1 motorway and Ancient Woodland on the edges of CN1 which will remain undeveloped means that a sense of separation between Chapeltown and Thorpe Hesley will remain.

5.23 Consequently our view is that CN1 does not prevent any neighbouring towns from merging and therefore serves no purpose with regards to purpose 2.

## Purpose 3: To assist in safeguarding the countryside from encroachment

5.24 With regards to purpose 3 which is "To assist in safeguarding the countryside from encroachment" Parcel CN1 contains former coal workings and is previously developed and derelict land. Large parts of it are therefore not countryside and by developing the previously developed parts of this site it will protect other parts of the countryside from being developed.

5.25 The SCR Common approach proposes assessing purpose 3 in relation to the extent of 'beneficial' Green Belt uses. Beneficial Uses are those set out within paragraph 145 of the Framework which is repeated below for reference:

*"145. Once Green Belts have been defined, local planning authorities should plan positively to enhance their beneficial use, such as looking for opportunities to provide access; to provide opportunities for outdoor sport and recreation; to retain and enhance landscapes, visual amenity and biodiversity; or to improve damaged and derelict land."*

5.26 The Parcel is largely made up of spoil from former mine workings. These spoil mounds lay in steep mounds of upwards of 10m – 20m high. The spoil mounds have started the process of becoming populated by self-seeding pioneer tree species such as birch and willow. There is no formal public access to the site, however the site is used without consent by the public for informal recreation and the potential contaminants are of a major concern, as are the extremely steep slopes of the spoil and other hazardous objects and materials across the site. There is a Cricket Field on the southern part of the site an outdoor Scout centre and ancient woodland. The previously developed parts of CN1 therefore do not serve any purpose in relation to purpose 3. However the parcel in its entirety does provide some beneficial uses.

5.27 At paragraph 5.21 of the Green Belt Review (September 2020) it is stated that: *"The Common Approach differentiates between the number of beneficial uses within an area. However, we considered it would be more meaningful to use a scoring mechanism which ranks land on a scale of 1-5 depending on the proportion of an area of Green Belt which is covered by beneficial uses."* It goes on to explain that a *"…combination of desktop assessments, aerial photographs, land use designations and site visits was used to quantify this and to determine scores."* In the Green Belt Review (September 2021) below paragraph 5.21 there is a table which sets out the scoring which is included as an excerpt in figure 6 below.

| | |
|---|---|
| 1 | Up to 20% of area covered by beneficial/appropriate countryside uses. It performs a weak role in assisting in safeguarding the countryside from encroachment. |
| 2 | 20%-40% of area covered by beneficial/appropriate countryside uses. It performs a relatively weak role in assisting in safeguarding the countryside from encroachment. |
| 3 | 40%-60% of area covered by beneficial/appropriate countryside uses. It performs a moderate role in assisting in safeguarding the countryside from encroachment. |
| 4 | 60%-80% of area covered by beneficial/appropriate countryside uses. It performs a strong role in assisting in safeguarding the countryside from encroachment. |
| 5 | Over 80% of area covered by beneficial/appropriate countryside uses. It performs a very strong role in assisting in safeguarding the countryside from encroachment. |

Figure 8. Purpose 3 Table of Beneficial Uses

**5.28** The areas of the site which can be classified as beneficial uses include the established unmanaged woodland areas, Cricket Pitch, Grazing land, Uncultivated/unplanted land and the land used by the Scouts, Parkland and the Blackburn Valley Trail footpath. This amounts to approximately 164 acres or 66.5 hectares.

**5.29** The areas of the site covered by non-beneficial countryside uses includes the land which is previously developed and covered in spoil, the derelict pub, existing residential development and the land used by a nursing home. This amounts to approximately 117 acres or 47.5 hectares. An illustrative image is shown in Figure 7 showing the land parcels within the site.

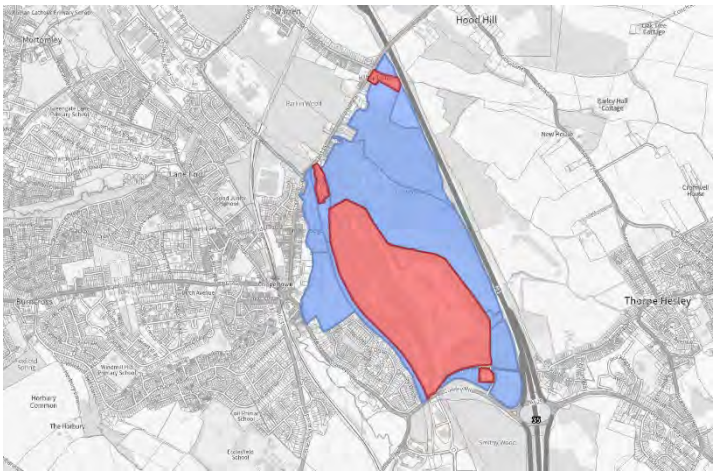


Figure 9. Blue land indicates beneficial uses and red land indicates non beneficial uses.

5.30 With regards to purpose 3, therefore, as approximately 58% of the site is covered by beneficial countryside uses for this purpose using the methodology within the Sheffield Green Belt Review (September 2020) the site scores 3. (To be updated following site visit).

5.31 Sheffield City Council have scored CN1 as 5 against purpose 3. This must be erroneous and requires re-assessment. It is clear from our review that less than 60% of the site is covered by what could be considered beneficial uses and the site is clearly very well contained by the Ancient Woodland and M1 motorway. Therefore an objective and informed score could not score 5 for this purpose.

### Purpose 4: To preserve the setting and special character of historic towns

5.32 With regards to purpose 4, the Green Belt Review states that: *"In Sheffield, the fourth purpose relating to the setting of historic towns has not been used because there are no historic towns within Sheffield's local planning authority area."* Therefore, it follows that Parcel CN1 does not serve any purpose in relation to purpose 4.

### Purpose 5: To assist in urban regeneration, by encouraging the recycling of derelict and other urban land

5.33 Purpose 5 is to assist in urban regeneration, by encouraging the recycling of derelict and other urban land. Sheffield City Council explain within the Sheffield Green Belt Review (September 2020) that they have departed from the approach taken in the SCR Common approach. The methodology looks at three aspects: 1. whether a site is adjacent to the urban area; 2. whether sites are remote from the urban area; and, 3. Whether a Site contains derelict land.

5.34 The GBR distinguishes between those previously developed areas of land within the Green Belt which are adjacent and remote to the urban area. The Green Belt Review (September 2020) states at paragraph 5.27: *"…Firstly, re-use of previously developed land in the Green Belt can have a positive impact on urban regeneration where it is adjacent to the urban area, and therefore it is less likely that such areas perform strongly in relation to this particular purpose."* It goes on to state: *"…Secondly, there are some significant previously developed sites, with extensive building remaining onsite, within the Green Belt that are remote from existing urban areas[10] which need to be considered. Redevelopment of these sites would recycle derelict land but their location means it would do very little to assist in urban regeneration, and therefore by being protected as part of the Green Belt they are performing a more important Green Belt function, by directing development into the urban area instead."* A third category of site contains no derelict land; *"these score most highly against this purpose as they channel development towards the urban area."*

5.35 Parcel CN1 is Green Belt land that contains previously-developed land adjacent to the urban area, where redevelopment would contribute to regeneration. Therefore applying the council's methodology to parcel CN1 results in a score of 3.

5.36 An excerpt from the GBR (2020) showing the scoring is shown below in Figure X. You will note that to score 5 for this purpose land must not contain derelict land.

| | |
|---|---|
| 1 | n/a |
| 2 | n/a |
| 3 | Green Belt that contains previously-developed / urban land[11] adjacent to the urban area, where redevelopment would contribute to regeneration. |
| 4 | Green Belt that contains previously-developed /urban land which is not adjacent to the urban area. |
| 5 | Green Belt that does not contain derelict land. |

Figure 10. Excerpt from the GBR (2020) Purpose Five Scoring

**5.37** The GBR (2020) has however scored parcel CN1 as 5, despite the site containing land that is clearly derelict and is also adjacent to the urban area. This is clearly erroneous on the part of the Council.

## Assessment Results

**5.38** The minimum score would be 6 (for areas contributing very weakly to the purposes of Green Belt and the maximum score for a general area which contributes highly to Green Belt purposes would be 20.

**5.39** The table below shows the relative scoring of Sheffield CC and Spawforths. Sheffield CC assessment scored the site as performing very strongly with 16/20. However, we have demonstrated that this is erroneous. Spawforths objective assessment of Parcel CN-1 is a score of 10/20.

| Assessor | Parcel Code | Purpose 1 | Purpose 2 | Purpose 3 | Purpose 5 | Total /20 |
|---|---|---|---|---|---|---|
| Sheffield CC | CN1 | 3 | 3 | 5 | 5 | 16 |
| Spawforths | CN1 | 3 | 1 | 3 | 3 | 10 |

# Stage Two: Technical Site Assessment

**5.40** As indicated in the common approach stage two seeks to further refine the assessment of general areas to ensure that deliverable sites are identified and assessed. It is considered that an initial sift will remove land which falls within formal national level statutory designations as it is unlikely that a site that falls within a statutory designation would be deemed suitable and deliverable. Therefore it is not appropriate that any such land remains within the assessment process.

**5.41** The list of excluded areas is detailed at paragraph 6.6 of the GBR and is repeated below for ease:

i. Flood Zones 3a and 3b;

ii. Sites of Special Scientific Interest;

iii. Local Nature Reserves;

iv. Cemeteries, graveyards and crematoria;

v. Scheduled Monuments;

vi. Local Wildlife Sites;

vii. Ancient/mature woodland;

viii. Land in active recreational use (using open space audit);

ix. Land within 200m of the M1;

x. Land within 60m of high voltage power lines;

xi. Historic Parks, Gardens and Cemeteries.

**5.42** The above list appears to be focused entirely on housing development ignoring the fact that it could be perfectly appropriate for industrial and logistics businesses to be located in close proximity to the M1 and certainly within 200m of the M1. Furthermore, commercial premises can be located in close proximity to high voltage power lines whereas it is entirely appropriate for residential development to have greater setbacks from power lines and motorways. The methodology should therefore be revisited.

**5.43** As a result of the sifting the areas identified in Figure X have been defined in the GBR (2020).

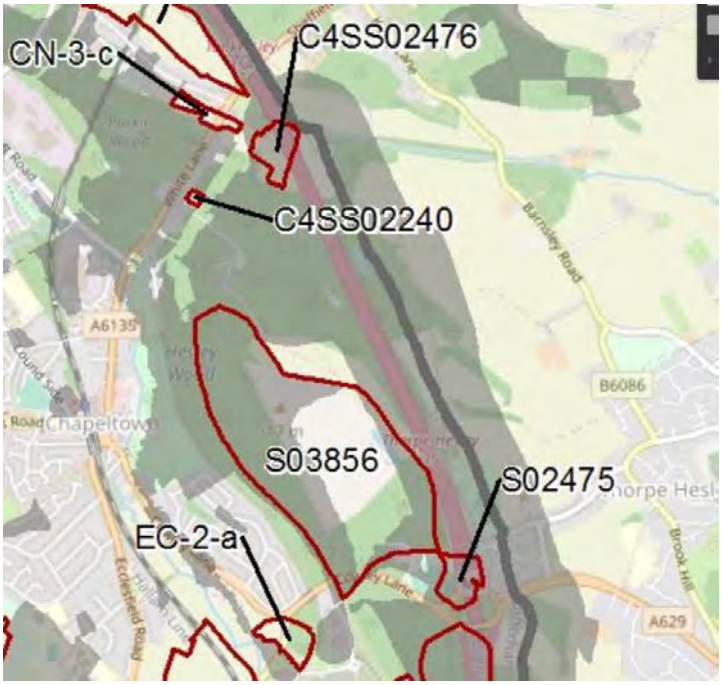


Figure 11. Resultant Parcels as identified within the Green Belt Review (2020)

**5.44** For the purposes of this review we have focused on the parcel which contains the Hesley Wood Proposals namely Parcel S03856.

**5.45** At paragraph 6.10 of the GBR (2020) states that: *"As with the general areas, smaller parcels were drawn using durable features to define boundaries wherever possible. However, in some cases, the boundaries correspond with the boundary of a 'designation' such as a Local Wildlife Site, which might not always be a physical boundary on the ground. In these situations, if a parcel is subsequently determined to be suitable as an option for release from the Green Belt, the boundary would be checked to ensure it is congruent with a durable/permanent feature on the ground. The effect of this is that some parts of excluded areas could be removed from the Green Belt to ensure a durable boundary, although the excluded area would remain protected by its designation."*

**5.46** Refined areas are each considered in turn against the five purpose of the Green Belt. The technical constraints assessment for area S03856 is set out below:

## Resultant Parcel S03856 Assessment

Site Boundaries

**5.47** The site is bounded to the west by the railway path to the north and east the site boundaries appear to have been drawn to exclude the scout activity centre land which is a loosely defined boundary. To the east the M1 motorway creates a very durable boundary for part of the southern

section of the boundary. To the south the boundary crosses Cowley Lane and excludes the woodland and land which contains the derelict public house.

Site Characteristics

**5.48** The site is almost entirely covered by spoil from the former colliery site, and is therefore in a very poor landscape condition. It is not considered that the spoil on the site could be used in its current state for any form of public access without substantial remediation. The periphery of the site is mainly wooded to the north, west and south, with areas of Ancient Woodland located to the north and south of the site. There are many mine entry points across the site and colliery spoil lies in steep mounds upwards of 10-20m high. The spoil mounds have started the process of becoming populated by self-seeded pioneer tree species.

Green Belt Purposes

**5.1** Purpose 1 – To check the unrestricted sprawl of large built-up areas. With regards to Purpose 1, existing residential development lies adjacent to the site to the south west, west and north. The site itself is made up of previously developed and derelict land. The allocation of this site will require some encroachment into the Green Belt, however the current boundary is not robust. A new robust Green Belt boundary will be formed using distinct features. The area performs a relatively weak role in checking the sprawl of the urban area. The area performs low to moderate against this purpose with a score of 2.

**5.1** Purpose 2 – To prevent neighbouring towns merging into one another. With regards to Purpose 2, this parcel is currently previously developed land made up of large spoil heaps. The site is well contained with the M1 motorway to the east, industrial development to the south, Ancient Woodland to the north and Chapeltown to the west. Therefore, if this land were to be replaced by development it would not be perceived as a closing of the gap between Chapeltown and Thorpe Hesley. The Framework is specific about Purpose 2 being about preventing neighbouring "towns" merging into one another, Thorpe Hesley is a village and therefore Purpose 2 does not apply here and this parcel of land plays no role in preventing towns from merging into one another. If this site were to be developed there will still be a substantial wooded gap between this site and the M1 motorway to the east. On the eastern side of the M1 motorway there are undeveloped fields before we meet the built up edge of Thorpe Hesley. Therefore, even if Purpose 2 did apply here there is a gap between the settlements. The site is well contained and performs a relatively weak role in preventing settlements from merging and therefore scores 2 for this purpose.

**5.1** Purpose 3 – Assisting in safeguarding the countryside from encroachment. In terms of Purpose 3 the area does not contain any beneficial uses which would enhance the role of the Green Belt. The site is a former coal workings and is previously developed and derelict land, which is an unneighbourly use. The site performs very weakly against this purpose and therefore scores 1.

**5.1** Purpose 4 – To preserve the setting and special character of historic towns. As noted above Purpose 4 is not assessed in Sheffield because there are no historic towns within the local planning authority area.

**5.1** Purpose 5 – To assist in urban regeneration by encouraging the recycling of derelict or other urban land. The area is previously developed land and derelict land, which contains large spoil heaps

and therefore does not perform strongly at all against this purpose. The Framework encourages the re-use of previously developed land and states that such sites should be considered first when releasing land from the Green Belt. The site scores 3 for this purpose.

5.2 Overall the parcel performs low to moderate when assessed against the five purposes of the Green Belt. The site scores 8 out of a potential of 20.

| Assessor | Parcel Code | Purpose 1 | Purpose 2 | Purpose 3 | Purpose 5 | Total /20 |
|---|---|---|---|---|---|---|
| Sheffield CC | S03856 | 5 | 3 | 3 | 4 | 15 |
| Spawforths | S03856 | 2 | 2 | 1 | 3 | 8 |

# Stage Two: Assessment of Area S03856 Land at Hesley Wood

## Quantative Constraints

5.3 Quantitative Constraints include Flood Risk (referencing Environment Agency Flood Risk Zones 1, 2, 3a and 3b) or Other Statutory Designations (Conservation Areas, Listed Buildings, Scheduled Ancient Monuments, Registered Parks and Gardens). As such, a quantitative constraints appraisal has been undertaken in respect of resultant parcel S03856 and is detailed on the table below:

| Constraint | Comments Relative to Parcel S03856 |
|---|---|
| Flood Risk Zone | Flood Zone 1 |

| Constraint | Comments Relative to Parcel S03856 |
|---|---|
| Conservation Areas | The site is not located within or adjacent to a defined Conservation Area. |
| Listed Buildings | There are no known listed buildings located on the site or within close proximity to the site which development of this parcel of land would have an impact upon. |
| Ancient Monuments | There are no known ancient monuments located on the site or within close proximity to the site which development of this parcel of land would have an impact upon. |
| Tree Preservation Orders (TPOs) | There are no TPOs within the area. |
| Registered Parks and Gardens | There are no known Registered Parks and Gardens located on the site or within close proximity to the site which development of this parcel of land would have an impact upon. |
| SSIs/SSSIs | The site is not identified as a SSI/SSSI. There are no known SSIs or SSSIs located on the site or within close proximity to the site which development of this parcel of land would have an impact upon. |
| Air Quality Management Area (AQMA) | The whole of Sheffield Urban Area is within an AQMA. |
| Other Ecological Designations | There are no statutory or non-statutory designations within the Area. Hesley Tip Local Wildlife Site is shown to be in close proximity to the site, however an assessment of whether this designation is appropriate is underway. |

| Constraint | Comments Relative to Parcel S03856 |
|---|---|
| | Furthermore, there is Hesley Wood & Chapletown Park LWS to the north of the site.<br><br>With appropriate mitigation the effect of development on the LWS's will be limited. |
| Heritage Assets | There are no known heritage assets located on the site or within close proximity to the site which the development of this parcel of land would impact upon. |
| Rights of Way (Including PROW, bridleways etc.) | There are no public rights of way within the site. |
| AONB or Landscape Designation | There are no AONBs or Landscape designations on the site. |

## Qualitative Constraints

**5.4** Qualitative constraints are noted as Land Use and Built Environment; Biodiversity and Natural Environment, including specified designations, and the biological, ecological and natural environmental characteristics of an area; Topography; Landscape Character and Visual Assessment; Historic Environment (the character, sensitivity and value of an area's historic environment); Infrastructure 'show-stoppers'; and Access/ Accessibility and Connectivity.

### Land Use

**5.5** The site is currently a redundant spoil heap with self-seeded trees.

### Biodiversity and Natural Environment

**5.6** There are no known ecological designations located within area S03856 which the development of this parcel of land would have an impact upon. Local Wildlife Sites are in close proximity to the site but development of the site would not have a significant impact upon these and suitable mitigation measures can be put in place.

### Topography

5.7 Area S03856 contains large steeply sided spoil heaps. There is a high plateau towards the eastern boundary and steep slopes down towards the west with drops of approximately 20m. The site rises from south to north.

### Landscape Character and Visual Assessment

5.8 TPM Landscape have undertaken a Landscape and Visual Impact Assessment. The site is a former colliery spoil site, it is not considered that the site contributes to the key characteristics of the wider landscape, other than the woodland and tree cover as described above, and which are not considered to provide a long term level of tree cover.

5.9 The agricultural field of the Scout Land to the east of the main part of the area S03856 has a rural appearance, however it is understood that this is also the location of many former 'mine entry' sites, and will therefore also need to be remediated to render safe for public use. The illustrative proposal indicates this land to be regraded using spoil (bio-remediated and capped as necessary), to provide a more level and useable area of land for the Scouts, although it will be returned to an agricultural field which for the majority of the year it will retain its current rural appearance, and will most likely be managed as wildflower meadow to enhance the site bio-diversity.

5.10 It is likely that there will be large effects to many visual receptors both near and from key long-distance locations, particularly in the early years of development as the site is being regraded and the spoil remediated, however this is an inevitable situation of any proposal, if the site is to be 'cleaned'. The development proposals will include a substantial amount of landscaping which will soften the built form and will, over time, provide a longer-term and more divers tree structure than the self-seeded pioneer species.

5.11 The photographs below have been taken from within the site:

Figure 12: Self-seeded young pioneer trees 5-20 years old predominantly to the eastern part of the site.

Figure 13: Early mature self-seeded pioneer trees est. 20-40 years old on the steep spoil heap embankments predominantly to the western part of the site.

### Historic Environment

**5.12** There are no known Heritage Assets located on the site or within close proximity to the site which would preclude the development of the site. There are no conservation areas in close proximity to the site and there are no views into the site from the conservation area in Ecclesfield due to intervening landscape and built form.

### Infrastructure 'show stoppers'

**5.13** There are no known infrastructure issues within close proximity to the site which the development of land at area S03856. A629/Cowley Way can provide a suitable highways access to the site. iTransport and BWB have prepared an initial access assessment for the site in order to determine the appropriate location for the access. There is sufficient capacity at the junctions to service a development of over 1m sqft of industrial and logistics. The access road has been designed to take into account the required stand-offs to the Ancient Woodland.

### Access/Accessibility and Connectivity

**5.14** The existing bus and train services which pass close to the site provide sustainable access to the new site for the residents of Sheffield and the wider region by sustainable transport methods.

**5.15** Connections to these public transport services can be improved through the provision of cycle and pedestrian links across the adjacent Trans Pennine trail and through Chapeltown Park into the town centre.

**5.16** The Blackburn Valley Trail (Railway Route) creates further opportunity to encourage sustainable travel by creating a safe route for employees to cycle to work.

**5.17** The range of shops, facilities, transport hubs and housing within walking or cycling distance from the site creates opportunity to encourage more sustainable behaviours from future employers and employees and reduce reliance on the private car.

5.18 The Hesley Wood site can therefore be an opportunity to grow the urban area in a sustainable way providing new jobs in a sustainable location.

### Effective Use of Land

5.19 The land is entirely made up of spoil heap and is therefore previously developed. The site is dangerous in its current state and is easily accessible. The proposals are therefore making an efficient and effective use of land and infrastructure.

## Technical Assessment of Green Belt Boundary

5.20 The Framework explains that there are five purposes of including land within the Green Belt, which are:

i. To check the unrestricted sprawl of large built up areas;

ii. To prevent neighbouring towns merging into one another;

iii. To assist in safeguarding the countryside from encroachment;

iv. To preserve the setting and special character of historic towns; and

v. To assist in urban regeneration by encouraging the recycling of derelict and other urban land.

5.21 Area S03856 (Hesley Wood) has been considered against the five purposes of the Green Belt above, this assessment considers the site performs low to moderately against the five purposes. Contextually, the site is "contained" by development and activity being adjacent to residential properties off Cowley Hill and Cowley Lane Chapeltown Park to the north west, ancient woodland to the north, the M1 motorway to the east and its position within the landscape.

5.22 Within this context the release of the site from the Green Belt has limited impact on "openness" and that redevelopment of the site would have low to moderate impact on the purposes of including land within the Green Belt.

5.23 Paragraph 142 of the Framework states that Green Belt boundaries should be drawn so as not to include land which it is unnecessary to keep permanently open. The site lies on the edge of Chapeltown with residential development to the south west and north west. Ancient Woodland lies to the north and the M1 Motorway to the east and in combinations with the effects of topography serve to limit views into, out and across the site.

5.24 Area S03856 (Hesley Wood) is therefore contained and will not lead to unrestricted sprawl or encroachment. The site is located on the edge of Chapeltown and is contained within its setting. The site would not therefore lead to the coalescence of towns. The degree of encroachment into the countryside is minimal as the site is previously developed. The site has no impact upon the setting of a historic town. The site is made up of previously developed land and therefore will recycle and re-use derelict land.

5.25 The current boundary of the Green Belt boundary around the main urban area at Chapeltown is not robust, or durable and does not accord with the Framework where boundaries should be clearly defined using readily recognisable features to ensure permanency. In this area the Green Belt boundary is tightly around the edge of residential gardens which back onto The Blackburn Valley Trail, along Blackburn Brook, the edge of residential gardens on White Lane, the M1 motorway to the east and the A629/Cowley Way to the south. The current boundaries are not durable using the councils own methodology (as demonstrated at para x above).

5.26 A new proposed Green Belt Boundary would be defined by the durable boundaries of the M1 Motorway to the East and the Ancient Woodland to the North of the site as shown in the image below:


Figure 14. Proposed new Green Belt Boundary with durable boundaries.

**5.27** The boundaries have the potential to be further reinforced within the site through additional planting to ensure an effective transition between the development and the countryside beyond.

# 06 Conclusions

## Results of Green Belt Assessment

**6.1** The Green Belt Assessment has been undertaken in two stages:

i. Consider the Green Belt Strategically on the land between Chapeltown and Thorpe Hesley in the context of the Emerging Local Plan against the Five Purposes; and,

ii. After applying constraints, consider the resultant land at Hesley Wood (Area S03856) against the Five Purposes outlined in the Framework.

**6.2** This Assessment has utilised the common methodology as set out within the Sheffield Green Belt Review (2020) and section 8 below considers the Green Belt Review addendum (2022).

**6.3** Hesley Wood (Area S03856) is wholly made up of previously developed land in the form of a major spoil heap. The site is currently used informally by the public (without permission) and prevents a substantial public health risk due to contaminants, risk of landslip and potential sharp dangerous objects.

**6.4** The Assessment has shown that the land at Hesley Wood (Area S03856) is contained by the surrounding landform, vegetation and existing built form and will not lead to unrestricted sprawl or encroachment. The adjacent Ancient Woodland and M1 Motorway act as durable Green Belt boundaries preventing further growth.

**6.5** The site would not lead to the coalescence of towns. Whilst development of the Area would lead to some erosion of the openness, the perception of the erosion is limited by the presence of existing development to the south west, its position within the landscape, vegetation and the fact that the site is previously developed land.

**6.6** The gap between Chapeltown and Thorpe Hesley in Rotherham district is maintained by the presence of the M1 motorway and fields to the east of the M1 Motorway and the retention of areas of Ancient Woodland to the west of the M1 Motorway. In any event, Thorpe Hesley is not a Town, it is a village. Therefore the provisions of the Framework with regards to preventing neighbouring towns merging into one another does not apply here.

**6.7** The site is previously developed land and therefore should be recycled and put to effective use.

**6.8** The current location of the Green Belt boundary is not durable or robust and does not accord with the Framework where boundaries should be clearly defined using readily recognisable features to ensure permanency.

**6.9** As a result it is considered that the land at Hesley Wood (Area S03856) should be removed from the Green Belt.

# 07 Notes on Green Belt Review Addendum 2022

## Green Belt Review Addendum 2022

**7.1** Paragraph 2.4 of the Green Belt Review Addendum 2022 note that that in reference to purpose 2 (to prevent neighbouring towns merging into one another) that a qualitative assessment should be made which takes into account: *"the likely qualitative impact on the ground of taking account of topography, landform and landscape features may also be appropriately considered."* The addendum then shows the updated scoring criteria which is repeated below:

| Score | Criteria |
|---|---|
| 5 | Areas of Green Belt where even limited development could result in actual or perceived coalescence with another settlement – where the essential gap is less than 500m. It performs a critical role in preventing settlements from merging. **Parcels should also score 5 where the impact of development would be judged to result in potential coalescence of two different settlements that are further apart, due to specific topographical, landform or landscape features in that location, and where there is a sensitive gap that requires protection.** |

Figure 15. Amendments to the Scoring for purpose 2 in light of consultation.

**7.2** The Green Belt Review addendum (2022) therefore take account of qualitative issues but the methodology is flawed as the addition to only one part of the scoring means that a qualitative assessment can only make an area of land score higher against purpose 2. It may be that a qualitative assessment means that despite the close proximity of a nearby town due to topography, landform and landscape features the feeling of separation is maintained or even enhanced if an area is removed from the Green Belt. To be objective the assessment and scoring system needs to work in both directions.

**7.3** An amendment should be added to the scoring system which could read: *"Parcels should also score 1 where the impact of development would not result in coalescence despite close proximity of an adjoining Town, due to specific topographical, landform or landscape features in that location."*

**7.4** At paragraph 4.1 the Green Belt Review addendum (2022) notes that:

*"Following the Council's Cooperative Executive decision in February 2022 the spatial strategy for the Sheffield Plan has been developed to take account of the preferred spatial option agreed at that stage. It was agreed that Sheffield's housing requirement should be limited to the number of homes that can be accommodated on suitable brownfield and previously undeveloped (greenfield) sites in the existing urban areas and that the release of Green Belt land for development should be limited to sustainably located brownfield sites."*

**7.5** The Green Belt Review Addendum (2022) goes on at paragraph 4.2 to explain: *"In response to this decision a single site is proposed for removal from the Green Belt to enable development. Site allocation SS17 (S04638) will be allocated for housing and open space. We believe that exceptional circumstances exist for release of this site, owing to its previously developed nature and proximity to the existing urban area, in a sustainable location."*

**7.6** Site allocation SS17 Norton Aerodrome sits within Green Belt general area S-3 as denoted within the Green Belt Review (September 2020). General Area S-3 scores a total of 9/20 against Green Belt purposes. The table below compares Spawforths scoring for General Area CN-1 with the scoring for S-3.

| Assessor | Parcel Code | Purpose 1 | Purpose 2 | Purpose 3 | Purpose 5 | Total /20 |
|---|---|---|---|---|---|---|
| Sheffield CC | S-3 | 2 | 1 | 3 | 3 | 9 |
| Spawforths | CN-1 | 3 | 1 | 3 | 3 | 10 |

**7.7** As can be seen above, when the methodology is applied correctly land parcels CN-1 and S-3 have very similar scoring. Both sites contain significant areas of previously developed land in close proximity to the existing urban area, in a sustainable location.

In the same vein, the resultant area scores are very similar, Norton Aerodrome is within resultant parcel S-3-a and Hesley Wood is within S03856. The table below compares the scores for both parcels.

| Assessor | Parcel Code | Purpose 1 | Purpose 2 | Purpose 3 | Purpose 5 | Total /20 |
|---|---|---|---|---|---|---|
| Sheffield CC | S-3-a | 2 | 1 | 2 | 3 | 8 |

| Assessor | Parcel Code | Purpose 1 | Purpose 2 | Purpose 3 | Purpose 5 | Total /20 |
|---|---|---|---|---|---|---|
| Spawforths | CN-1 | 2 | 2 | 1 | 3 | 8 |

**7.8** If applied correctly, the methodology would lend support, in terms of background evidence, showing that both sites do not perform a strong Green Belt function. It follows therefore, that there are exceptional circumstances for the release of the land at the former Hesley Wood tip from the Green Belt for the same reasons that the land at Norton Aerodrome is being released from the Green Belt.

**7.9** The land at the former Hesley Wood tip is made up of previously developed land, adjacent to the urban area, in a sustainable location and it does not perform a strong Green Belt purpose and therefore should be released from the Green Belt. It is clearly a reasonable alternative site and should be considered for release and allocation for development in line with the Framework.