



Nathaniel Lichfield
& Partners
Planning. Design. Economics.

**Sheffield & Rotherham Joint
Employment Land Review**

Final Report

Sheffield City Council and Rotherham
Metropolitan Borough Council
15 October 2015

50467/JG/RL

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Contents

1.0	Introduction	1
	Scope of Study.....	1
	Methodology	2
	Structure of the Report.....	3
2.0	Policy Review	5
	National Documents.....	5
	Sub-Regional Documents	8
	Rotherham Documents	10
	Sheffield Documents.....	14
3.0	Economic Context	18
	Geography and Connections.....	18
	Economic Trends	19
	Functional Economic Market Area.....	32
	Conclusions	36
4.0	Commercial Property Market Signals and Intelligence	39
	Overview – Sheffield	39
	Overview – Rotherham	40
	Office Market	41
	Industrial Market	46
	Conclusions	50
5.0	The Current Stock of Employment Space	52
	Current Stock of Employment Space	52
	Age of Premises.....	54
	Vacancy Rates.....	55
	Spatial Distribution	57
	Sheffield City Region Enterprise Zone	64
	Development Rates	66
	Losses of Employment Space.....	71
	Employment Space in Adjoining Areas	72
	Conclusions	79
6.0	Economic Potential Growth Sectors	82
	Future Potential.....	82
	Recent Growth Performance.....	84
	Sectors with Growth Potential	86
	Growth Opportunities of Other Relevant Non-B Class Employment Uses	97
	Summary	101
	Conclusions	102

7.0	Understanding Business Needs	104
	Business Surveys.....	104
	Stakeholder Interviews.....	108
	Stakeholder Workshop.....	112
8.0	Future Employment Space Requirements: Sheffield	114
	Methodology.....	114
	a. Baseline Employment Forecast.....	115
	b. Policy-ON (FLUTE) Employment Forecast.....	119
	c. Past Take-Up Rates.....	124
	d. Labour Supply Scenario.....	125
	Net Employment Space Requirements.....	127
	Safety Margin.....	127
	Gross Employment Space Requirements.....	128
	Estimated Land Requirement.....	131
	Sensitivity Testing.....	132
	Summary.....	134
9.0	Future Employment Space Requirements: Rotherham	138
	Methodology.....	138
	a. Baseline Employment Forecast.....	139
	b. Policy-ON (FLUTE) Employment Forecast.....	143
	c. Past Take-Up Rates.....	147
	d. Labour Supply Scenario.....	148
	Net Employment Space Requirements.....	150
	Safety Margin.....	150
	Gross Employment Space Requirements.....	151
	Estimated Land Requirement.....	154
	Sensitivity Testing.....	155
	Summary.....	157
10.0	Qualitative Review of Employment Sites	160
	Overview of Sites.....	161
	Sheffield Sites.....	165
	Rotherham Sites.....	178
11.0	Demand/Supply Balance: Sheffield	191
	Demand for Employment Land.....	191
	Employment Land Supply.....	191
	Available Land vs. Demand.....	194
12.0	Demand/Supply Balance: Rotherham	199
	Demand for Employment Land.....	199
	Employment Land Supply.....	199
	Available Land vs. Demand.....	200

13.0	Conclusions	204
	Economic Overview	204
	Functional Economic Market Area.....	206
	Market Signals	207
	Meeting Future Needs: Sheffield.....	208
	Meeting Future Needs: Rotherham	209

Appendices

- Appendix 1 Consultees
- Appendix 2 Definition of B Class Sectors
- Appendix 3 Experian (Baseline) Employment Forecasts
- Appendix 4 Site Assessment Matrix

1.0 Introduction

1.1 This is an example of a Heading Sheffield City Council ('SCC') and Rotherham Metropolitan Borough Council ('RMBC') commissioned Nathaniel Lichfield & Partners ('NLP') to prepare a joint Employment Land Review (ELR) covering the two authority areas. The report assesses economic development needs objectively in line with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG). It also provides an objective, criteria-based assessment of all those sites put forward by the authorities for review.

1.2 The study has involved three main stages:

- 1 **Stage 1: Taking Stock of the Existing Situation:** analysis of the economic strengths and weaknesses of the local economies, functional economic market area(s), and an assessment of the fitness for purpose of a portfolio of employment sites.
- 2 **Stage 2: Assessing Future Requirements for B-Class uses:** testing the implications of a range of scenarios and forecasting techniques on future employment space requirements for the two local authority areas.
- 3 **Stage 3: Identifying a Site Portfolio:** analysing the suitability and deliverability of sites available to meet future needs under each growth scenario.

Scope of Study

1.3 The purpose of the ELR is to provide part of the evidence base for the emerging Local Plan documents by providing the Councils with an understanding of the current and potential requirements for employment land. This is based on considering a range of scenarios regarding how the economies of Sheffield and Rotherham could change in the future.

1.4 Following from this analysis, the land and floorspace implications are specifically considered for the group of B-class sectors outlined below:

- **B1 Business** (offices, research & development, light industry);
- **B2 General Industrial**; and
- **B8 Storage or Distribution** (wholesale warehouses, distribution centres).

1.5 Demand for B-class employment land and floorspace is considered in this report, and references to "employment space" are intended to mean both these elements. Industrial space in this report includes both manufacturing and distribution uses.

1.6 The study also considers, in headline terms, the prospects for growth across a range of non B-class sectors in order to help understand how the overall economies of the two authorities could change in the future. It is important to note, however, that the study does not specifically assess the space

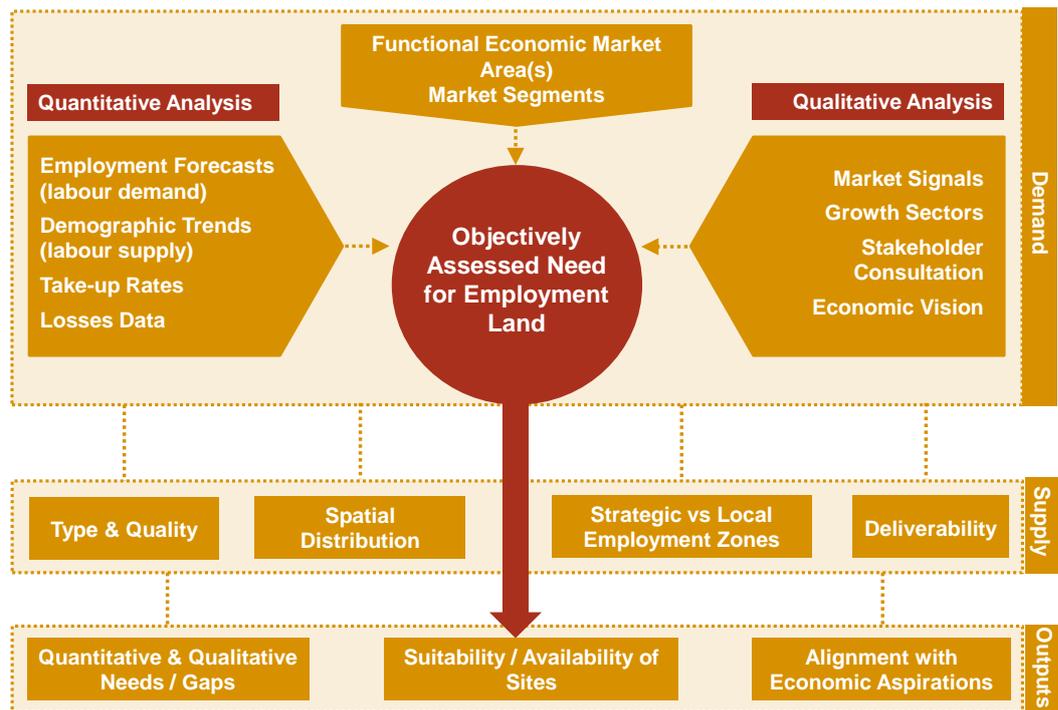
implications of these other sectors because they are planned for using different methodologies and considered by other forms of technical evidence (e.g. retail assessment).

- 1.7 There are a variety of factors and drivers to consider when objectively assessing business needs for a local area. This study utilises a combination of both quantitative and qualitative analysis to explore these issues within the context of Sheffield and Rotherham and synthesises these to draw overarching conclusions and implications. An important consideration for any work of this type is that it is inevitably a point-in-time assessment. This study has incorporated the latest data and other evidence available at the time of preparation. The accuracy and sources of data derived from third party sources has not been checked or verified by NLP.
- 1.8 As part of the study, consultation was undertaken with a range of stakeholders including commercial agents, economic development and business organisations. A list of consultees is included at Appendix 1. As part of the duty to co-operate, a stakeholder workshop was held in Rotherham in July 2015 with Officers from Sheffield City Council, Rotherham Metropolitan Borough Council in attendance, as well as representatives from adjoining authorities and agents, developers and key economic stakeholders active across the study area. The workshop comprised of a presentation of interim findings, followed by a structured group discussion.

Methodology

- 1.9 In March 2014, the Government released Planning Practice Guidance (PPG) to provide practical support for practitioners and inform the implementation of the National Planning Policy Framework (NPPF). With regards to assessing economic development needs, the Guidance states that local authorities should:
- a Consider their existing stock of land, identifying the demand for and supply of employment land and determine the likely business needs and future market requirements;
 - b Consider the locational and premises requirements of particular types of business;
 - c Consider projections and forecasts to help identify where sites have been developed for a specific economic use;
 - d Analyse supply and demand to identify whether there is a discrepancy between quantitative and qualitative supply and demand for employment sites; and
 - e Identify where gaps in local employment land provision exist by comparing the available stock of land with the requirements of the area.
- 1.10 The methodology that has been used to undertake this ELR conforms to the requirements of the NPPF and PPG and can be summarised in Figure 1.1.

Figure 1.1 ELR Methodology



Source: NLP

Structure of the Report

1.11

The report is structured as follows:

- **Policy Review** (Section 2.0) - a summary of current national, sub-regional and local planning policy and economic strategy documents that form part of the background context for the study;
- **Economic Context** (Section 3.0) – a review of current economic conditions and recent trends in Sheffield and Rotherham and an assessment of the relative economic strengths and weaknesses of each authority area that may affect future needs for employment space;
- **Commercial Property Market Signals and Intelligence** (Section 4.0) – a review of local commercial property markets, including the supply of and demand for different types of employment space within Sheffield and Rotherham and the needs of different market segments;
- **The Current Stock of Employment Space** (Section 5.0) – analysis of the current stock and trends of employment space in Sheffield and Rotherham in terms of mix of uses, development rates, gains and losses, age of premises, and provision in adjoining local authority areas;
- **Economic Potential and Growth Sectors** (Section 6.0) - assessment of the future economic potential of Sheffield and Rotherham and the sectors anticipated to drive future growth;

- **Understanding Business Needs** (Section 7.0) – summary of key findings and messages emerging from the business survey, stakeholder interviews and stakeholder workshop;
- **Future Employment Space Requirements: Sheffield** (Section 8.0) – estimates future employment space requirements for B class sectors in quantitative terms within Sheffield, drawing upon employment forecasts, population projections and past take-up rates;
- **Future Employment Space Requirements: Rotherham** (Section 9.0) – estimates future employment space requirements for B class sectors in quantitative terms within Rotherham, drawing upon employment forecasts, population projections and past take-up rates;
- **Qualitative Review of Employment Sites** (Section 10.0) – a summary of the site assessment process – an objective, criteria-based appraisal of those sites put forward for consideration by SCC and RMBC;
- **Demand/Supply Balance: Sheffield** (Section 11.0) – assesses the balance between current land supply and future needs in Sheffield, in both quantitative and qualitative terms, by comparing forecast requirements with the availability of existing sites;
- **Demand/Supply Balance: Rotherham** (Section 12.0) – assesses the balance between current land supply and future needs in Rotherham, in both quantitative and qualitative terms, by comparing forecast requirements with the availability of existing sites; and
- **Conclusions** (Section 13.0) – draws the findings of the preceding sections together into a series of conclusions.

1.12

References to ‘Sheffield’ or ‘Rotherham’ refer to the local authority area overall rather than the city of Sheffield, or the town of Rotherham – unless otherwise stated.

2.0 Policy Review

2.1 This section provides a summary of key planning policy and economic strategy documents that form part of the background context which the ELR must take into account. Key messages from a range of documents – from the national level down to the local level – are set out below.

National Documents

National Planning Policy Framework (March 2012)

2.2 The Framework sets out the Government's economic, environmental and social planning policies for England. It states [Paragraph 14] that the purpose of the planning system is to contribute to the achievement of sustainable development, which should be seen as a 'golden thread' running through both plan-making and decision taking.

2.3 The document states that there are three dimensions to sustainable development: economic, social and environmental. The economic role that the planning system must perform involves contributing to building a strong, responsive and competitive economy, by ensuring that sufficient land of the right type is available in the right places and at the right time to support growth and innovation; and by identifying and co-ordinating development requirements, including the provision of infrastructure [Paragraph 7].

2.4 The Framework states that 'significant weight' should be placed on the need to support economic growth through the planning system [Paragraph 19]. To help achieve economic growth, Local Plans should (*inter alia*) [Paragraph 21]:

- Set out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth;
- Set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period;
- Support existing business sectors, taking account of whether they are expanding or contracting and, where possible, identify and plan for new or emerging sectors likely to locate in their area. Policies should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstances; and
- Plan positively for the location, promotion and expansion of clusters or networks of knowledge driven, creative or high technology industries.

2.5 The Framework [Paragraph 22] also highlights that allocated employment sites for which there is no reasonable prospect of development should not be protected in the long term. Proposals for alternative uses on such sites should be treated on their merits having regard to market signals and the relative need for different land uses to support sustainable local communities.

- 2.6 The Framework [Paragraph 23] confirms that offices are a ‘main town centre use’, and as such, LPAs should apply a sequential test to planning applications for main town centre uses that are not in an existing centre and are not in accordance within an up-to-date Local Plan:
- “They should require applications for main town centre uses to be located in town centres, then in edge of centre locations and only if suitable sites are not available should out of centre sites be considered. When considering edge of centre and out of centre proposals, preference should be given to accessible sites that are well connected to the town centre. Applicants and LPAs should demonstrate flexibility on issues such as format and scale.”* [Paragraph 24]
- 2.7 LPAs are required to ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. LPAs should ensure that their assessment of strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals. [Paragraph 158]
- 2.8 The Framework [Paragraph 160] advises that LPAs should have a clear understanding of business needs within the economic markets operating in and across their area. To achieve this, they should:
- 1 Work together with county and neighbouring authorities and with Local Enterprise Partnerships [LEPs] to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market; and
 - 2 Work closely with the business community to understand their changing needs and identify and address barriers to investment, including a lack of housing, infrastructure or viability.
- 2.9 The Framework [Paragraph 161] states that LPAs should use this evidence base to assess (*inter alia*):
- 1 The need for land or floorspace for economic development, including both the quantitative and qualitative need for all foreseeable types of economic activity over the plan period; and
 - 2 The existing and future supply of land available for economic development and its sufficiency and suitability to meet the identified needs.
- 2.10 Public bodies have a duty to cooperate on planning issues that cross administrative boundaries [Paragraph 178]. The Framework requires local authorities to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when their local plans are submitted for examination [Paragraph 181]. It sets out where cooperation might be appropriate and what form it might assume. It concludes that *“cooperation should be a continuous process of engagement from initial thinking through to implementation”*.

Planning Practice Guidance (2014)

- 2.11 CLG (Communities and Local Government) has produced on-line Planning Practice Guidance which includes guidance on the assessment of housing and economic development. This replaces the previous ODPM (Office of the Deputy Prime Minister) Employment Land Reviews: Guidance Note from 2004.
- 2.12 The Practice Guidance provides a methodology for assessing economic development needs. It states¹ that plan makers should liaise closely with the business community to understand their current and potential future requirements.
- 2.13 Plan makers should also consider:
- The recent pattern of employment land supply and loss to other uses;
 - Market intelligence (from local data and discussions with developers and property agents, recent surveys of business needs or engagement with business and economic forums);
 - Market signals such as levels and changes in rental values, and differentials between land values in different uses;
 - Public information on employment land and premises required;
 - Information held by other public sector bodies and utilities in relation to infrastructure constraints;
 - The existing stock of employment land (though it is important to recognise that this may not reflect the future needs of business);
 - The locational and premises requirements of particular types of business; and
 - Identification of oversupply and evidence of market failure.
- 2.14 When examining the recent take-up of employment land, the Practice Guidance² advises that it is important to consider projections (based on past trends) and forecasts (based on future scenarios) and identify occurrences where sites have been developed for specialist economic uses.
- 2.15 In terms of forecasting future trends the Practice Guidance³ advises that:
- Plan makers should consider forecasts of quantitative and qualitative need, but also its particular characteristics;
 - Local authorities should develop an idea of future needs based on a range of data which is current and robust;
 - Emerging sectors that are well suited to the area being covered by the analysis should be encouraged where possible; and,

¹ Paragraph Reference ID: 2a-030-20140306

² Paragraph Reference ID: 2a-031-20140306

³ Paragraph Reference ID: 2a-032-20140306

- The available stock of land should be compared with the particular requirements of the area so that ‘gaps’ in local employment land provision can be identified.

2.16 The Practice Guidance⁴ advises that plan makers should also consider:

- Sectoral and employment forecasts and projections (labour demand);
- Demographically derived assessments of future employment needs (labour supply techniques);
- Analysis based upon the past take-up of employment land and property and/or future property market requirements;
- Consultation with relevant organisations, studies of business trends, and monitoring of business, economic and employment statistics.

2.17 In identifying the type of employment land needed the Practice Guidance⁵ advises that:

- The need for rural employment should not be overlooked;
- Underlying population projections can be purely demographic or tied to future housing stock which needs to be assessed separately; and
- Plan makers should be careful to consider that national economic trends may not automatically translate to particular areas with a distinct employment base.

2.18 In order to derive employment land requirements, the Practice Guidance⁶ states that when translating employment and output forecasts into land requirements there are four key relationships which need to be quantified:

- 1 Standard Industrial Classification sectors to use classes;
- 2 Standard Industrial Classification sectors to type of property;
- 3 Employment to floorspace (employment density); and,
- 4 Floorspace to site area (plot ratio based on industry proxies).

Sub-Regional Documents

Sheffield City Region Strategic Economic Plan

2.19 The Sheffield City Region Local Enterprise Partnership (LEP) is comprised of the nine local authority areas of Barnsley, Bassetlaw, Bolsover, Chesterfield, Derbyshire Dales, Doncaster, North East Derbyshire, Rotherham and Sheffield. The City Region encompasses more than 1.8 million people and approximately 700,000 jobs.⁷

2.20 In order to guide development across the City Region, the LEP’s Strategic Economic Plan (SEP) sets out a focussed 10 year plan for private sector

⁴ ibid

⁵ 2a-033-20140306

⁶ 2a-034-20140306

⁷ <http://sheffieldcityregion.org.uk/about/overview/>

growth from 2015-2025. The overall aim of the Plan is to grow both business activity and jobs in order to narrow the economic gap between the performance of the City Region and the national average over the next 10 years. Key targets set out to deliver this ambition include:

- Creating 70,000 jobs;
- Increasing Gross Value Added (GVA) by 10% (or £3bn); and
- Creating 6,000 additional businesses beyond baseline growth rates.

- 2.21 The benefits of this growth are anticipated to result in lower levels of unemployment across the City Region, as well as higher levels of productivity, innovation and exports in key sectors such as: digital technologies; engineering; manufacturing; and low carbon.
- 2.22 The SEP recognises, however, that the City Region is a diverse economy that does not have a single dominant sector that is forecast to drive future growth. Rather, a mix of sectors are required to drive sustainable growth. In percentage terms the highest levels of forecast employment growth are expected to occur in:
- Transport and logistics;
 - Sport, leisure and tourism; and
 - Business, professional and financial services.
- 2.23 Despite lower forecasts in terms of jobs growth, the following sectors are anticipated to deliver productivity gains as a result of high levels of GVA growth per job:
- Creative and Digital Industries (CDI);
 - Low carbon;
 - Healthcare technologies; and
 - Advanced manufacturing.
- 2.24 In order to support the delivery of the LEPs key targets, the SEP also sets out a number of measures, including:
- Capitalising on the City Region's strengths, including: its central location, two Universities with world class research capabilities, large workforce, the UK's number 1 Enterprise Zone for advanced manufacturing, significant visitor economy and proposed High Speed 2 (HS2) station;
 - Capitalising on sector specialisms, especially in digital technologies, advanced manufacturing, engineering and materials;
 - Attracting new firms to the LEP area through the creation of a stronger promotional strategy and foreign direct investment team focused on sector specialisms;
 - Helping indigenous firms to grow through local recruitment and supply chains to support innovation and increase productivity. This will be further supported by the development of a skills programme;

- Supporting 600 additional business start-ups per year - focused on knowledge intensive sectors with export potential – in particular Creative and Digital Industries (CDI); and
- Increasing the number of firms exporting by 2023 by 2,150 through the implementation of an incentives package with support from the Growth Hub.

2.25

The SEP also comments that the City Region has significant capacity for additional development of employment land (new and existing), but that opportunities for commercial development must be supported by:

- Improved public transport connectivity to join up our key urban centres and prepare them to maximise the economic benefits from high speed rail;
- Local sustainable transport programmes that, when aggregated, make a significant impact in helping people access jobs and training;
- An infrastructure investment programme (SCRIF⁸) to fund and finance the infrastructure plan; and
- A housing development strategy, which flexes the national programme to suit the market failure and site issues within the City Region.

2.26

For Sheffield and Rotherham specifically, the Growth Plan also identifies a number of key strengths in:

- **Sheffield:** as the fourth largest city in England and a major centre of engineering, creative and digital industries, the City offers a wide range of culture and retail facilities;
- **Rotherham:** developing strengths in in new economic sectors, as part of SCR's wider regeneration agenda, with a specialism in manufacturing;
- **The Dearne Valley (Rotherham):** including Enterprise Zone sites and having undergone recent major transformation, providing jobs, training and education through its environmental vision; and
- **The Lower Don Valley and Waverley Advanced Manufacturing Park (Sheffield/Rotherham border):** providing an important employment area, focused on advanced manufacturing, with sports and leisure complexes (including Meadowhall). The Enterprise Zone is anticipated to create over 3,500 new jobs.

Rotherham Documents

Rotherham Core Strategy

2.27

The Rotherham Local Plan Core Strategy (2013-2028) - which was adopted in September 2014 - forms a central element of the developing Local Plan. In order to guide growth across Rotherham over the next 15 years, the Core Strategy identifies 17 core issues that need to be addressed. The key issues of particular relevance to employment land include:

⁸ Sheffield City Region Investment Fund

- 1 The need to safeguard the manufacturing base and existing viable employment sites whilst providing sufficient employment land for the requirements of modern industry;
- 2 The need to support the local economy by encouraging hi-tech business and improving the skills of Rotherham's workforce;
- 3 The impact of deprivation across Rotherham; in particular the need to encourage development and investment in those areas of greatest deprivation;
- 4 The need to minimise any increase in traffic and to encourage public transport usage, which has implications for the location of new development; and
- 5 The need to support the regeneration of Rotherham town centre and attract greater footfall, which has implications for improving the quality and diversity of uses.

2.28 In order to address these issues and to promote economic growth, the Core Strategy sets out a vision that:

“Rotherham will be prosperous with a vibrant, diverse, innovative and enterprising economy. It will fulfil its role as a key partner in the delivery of the Sheffield City Region recognising the close economic, commercial and housing markets links with Sheffield and our other neighbouring authorities.”

2.29 In achieving this ambition, the Strategy seeks to support the creation of a dynamic economy, with the following core objective:

“By the end of the plan period, the borough’s economy will be more modern, diverse and enterprising and will have moved closer to a low-carbon economy. Implementation of the Plan’s policies will have helped provide a wide range of accessible job opportunities in the borough. The regeneration and improvement of existing employment sites will have been complemented by the creation of local and rural employment opportunities.”

2.30 In total, the Core Strategy sets out a target to deliver 12,000-15,000 additional jobs (including 3,000-5,000 office jobs) during the plan period. To deliver this level of jobs growth, the Core Strategy highlights the need to allocate 230 hectares of land for business and industrial development and 5 hectares of land for office floorspace for the period 2013 to 2028.

2.31 In geographical terms, the Strategy identifies that the largest proportion of employment growth will be focused in the Rotherham Urban Area, including major new development at Bassingthorpe Farm and the regeneration of Rotherham town centre. Considerable development is also planned on the edge of the urban area at Waverley, with the development of a new community and consolidation of the Advanced Manufacturing Park.

2.32 Other principal settlements for employment growth are identified as:

- Wath, Brampton and West Melton;
- Wickersley, Bramley and Ravenfield Common; and

- Dinnington, Anston and Laughton Common.

Rotherham Sites and Policies

2.33 Rotherham's Publication Sites and Policies document sets out the specific site allocations for each settlement to meet the Core Strategy targets for new housing and employment land. The Sites and Policies document is informed by a range of supporting documents, including the 2015 Employment Land Background Paper.

2.34 The 2015 Employment Land Background Paper highlights the need to allocate sufficient land to meet Rotherham's employment land requirements. The distribution of the overall employment land requirement is set out below:

Table 2.1 Core Strategy: Distribution of Employment Land Requirements

Hierarchy	Settlement	Core Strategy Target	
		ha	%
Main location for new growth	Rotherham urban area (excluding Bassingthorpe Farm Strategic Allocation)	60	25
	Bassingthorpe Farm Strategic Allocation	11	5
	<i>Rotherham urban area total</i>	71	30
Principal Settlement for Growth	Dinnington, Anston and Laughton Common (including Dinnington East Broad Location For Growth)	38	16
	Wath-upon-Deerne, Brampton Bierlow and West Melton	16	7
	Bramley, Wickersley and Ravenfield Common	16	7
	Waverley	42	18
Principal settlements	Maltby and Hellaby	5	2
	Aston, Aughton and Swallownest	19	8
	Swinton and Kilnhurst		0
Local service centres	Wales and Kiveton Park	9	4
	Catcliffe, Treeton and Orgreave	12	5
	Thorpe Hesley, Todwick, Harthill, Woodsetts	0	0
	Thurcroft	7	3
	Other villages and Green Belt villages	0	0
	Total	235	100

Source: Rotherham 2015 Employment Land Background Paper

2.35 Recognising these requirements, the Publication Sites and Policies document identifies three locations for which specific policy approaches are considered appropriate, including:

- **The Advanced Manufacturing Park at Waverley:** outlined as a regionally important cluster within the priority advanced manufacturing and materials sector;
- **The former Maltby Colliery:** now closed but offering a fully serviced, rail connected site with the potential to create a low carbon development and Mineral Safeguarding Site; and

- **Todwick North:** offering the potential to help attract major inward investment with opportunities to deliver a premium business park.

Rotherham Growth Plan

- 2.36 Rotherham's Draft Growth Plan (2015-2025) maps out a programme of investment in economic infrastructure and activities over the short, medium and long term. The Plan sets out how Rotherham will contribute to the Strategic Economic Plan for the Sheffield City Region.
- 2.37 In summary, the Draft Growth Plan for Rotherham seeks to:
- Deliver 10,000 net new private sector jobs over the next 10 years, from the current figure of 92,900;
 - Create 750 additional new businesses over the next 5 years; and
 - Increase GVA through growing, attracting and starting businesses.
- 2.38 Priority projects and programmes designed to support the above ambitions include:
- **Developing Rotherham's Innovation District:** which includes major "Foundation Industries" such as Tata, Outokumpu, Forgemasters and Firth Rixson; the University of Sheffield through the Advanced Manufacturing Research Centre (AMRC); and major economic assets at the Advanced Manufacturing Park (AMP) and the Sheffield Business Park;
 - **Delivering Major Sites:** to deliver the large number of new jobs the borough is targeting, excellently located and connected sites with low investment requirements are required to accommodate significant general employment use developments;
 - **Increasing the Business Incubation Network:** supported by the growth of Rotherham's investment offer by providing a facility in the east of the borough, possibly in Hellaby/Maltby;
 - **Delivering the Town Centre Programme:** to include a number of projects that will create a stronger more diverse offer within the town centre including a cinema, office development, hotel, residential and other cultural, leisure and retail schemes; and
 - **Creating a University Campus in Rotherham:** including student accommodation and focussing on those sectors of most interest to Rotherham businesses and communities.
- 2.39 Through the delivery of these programmes, the Plan seeks to increase the size and strength of the Rotherham business stock, attract greater numbers of higher value businesses to invest and locate in the borough, and target support on those sectors in which Rotherham has an identifiable economic advantage, including:

- **Advanced Manufacturing:** with world class facilities at the Advanced Manufacturing Park (which has already attracted blue chip companies including Rolls-Royce and Boeing), the Growth Plan identifies the potential for further expansion on the back of the Innovation District. In addition, the Growth Plan suggests that major supply chain opportunities exist and should be exploited;
- **Business Process Services (BPS):** with a number of large BPS centres located in the Dearne and at Hellaby, BPS remains a growth sector internationally and is becoming increasingly complex, utilising innovative technological solutions for outsourcing business administration functions; and
- **Food:** Rotherham currently supports 300 businesses and 4,200 employees in this sector. These businesses include KP Nuts, Greencore and the New York Bagel Co.

Sheffield Documents

Sheffield Core Strategy

- 2.40 Following the publication of the NPPF in 2012, Sheffield City Council has decided to commence work on a new Local Plan and to replace the existing Core Strategy adopted in March 2009.⁹ At the current time, however, the Local Plan is at Issues and Options stage¹⁰, and as such, the adopted Core Strategy still forms a relevant document until it is reviewed.
- 2.41 The 2009 Core Strategy seeks to guide development in Sheffield up to 2026. At the heart of the Strategy is the following spatial vision:
- “Sheffield will be a city that is both transformed and sustainable, and will:*
- *Be economically prosperous and attractive to business and new investment and will sustain employment for all who seek it;*
 - *Enrich the Sheffield city region, as the most attractive and sustainable location for regional services, jobs and facilities;*
 - *Have attractive, sustainable neighbourhoods where people are happy to live, offering everyone a range of facilities and services;*
 - *Provide for opportunities, well-being and quality of life for everyone.”*
- 2.42 In order to deliver this vision and to support jobs growth across Sheffield, the Strategy sets out the following objectives:
- To create the conditions for a balanced, diverse and sustainable high-growth economy in the Sheffield City Region;

⁹ <https://www.sheffield.gov.uk/planning-and-city-development/planning-documents/local-plan/core-strategy.html>

¹⁰ <https://www.sheffield.gov.uk/planning-and-city-development/planning-documents/local-plan/core-strategy/preparation.html>

- To provide modern and high-technology manufacturing and knowledge-based services, including links with the universities and opportunities for the creation of dynamic business clusters;
 - To create improved and conserved environments to attract business investment, including high-technology manufacturing and knowledge-based services; and
 - To support the regeneration of the City Centre and complementary areas as the core location for major expansion of business, shopping, leisure and culture.
- 2.43 These objectives reflect the role of the Sheffield as the successful core of the wider city region. They also seek to support the delivery of high employment rates and skills.
- 2.44 In terms of spatial distribution, the Strategy notes the importance of providing a suitable supply of land in sustainable locations:
- “Maintaining a supply of land for business and industry is essential for achieving the objectives for economic transformation. It will be necessary to ensure there is enough available land to accommodate the forms of office development needed for growth sectors in the service sector and sufficient land for industry, for the city to develop its distinctive role in manufacturing. This means responding to market demand in sustainable locations and ensuring that sufficient land is safeguarded. This is especially needed where market demand for other uses, such as housing or retail development, could result in a shortage of sufficient employment land to deliver the economic vision.”*
- 2.45 Key geographical areas identified for employment land include:
- The City Centre: as a key location for office development, with a strong commercial character, strong accessibility, high-profile locations and modern, high-quality accommodation;
 - Lower Don Valley and Upper Don Valley: as strategic and accessible locations for manufacturing, distribution/ warehousing and other non-office businesses;
 - Sheaf Valley and neighbouring areas: as inherited employment areas within the main urban area that continue to provide a source of local jobs, particularly in manufacturing, distribution/ warehousing and other non-office businesses; and
 - Other locations within each of the more outlying areas of Mosborough/ Woodhouse, Chapeltown/ Ecclesfield and Stocksbridge/ Deepcar.
- 2.46 A 5-year supply of land for offices and industry, which would be available and free of major constraints, is also identified within the Core Strategy. This comprises of:
- 20 hectares for offices (use class B1(a));
 - 25 hectares for other businesses (use classes B1(b) and (c)); and

- 100 hectares for general industry and storage/distribution (use classes B2 and B8 with associated B1(b) and (c)) and other sui generis general industrial/processing uses.

Sheffield Economic Strategy

2.47 The Economic Strategy for Sheffield¹¹ aims to drive economic growth in the short and medium term and to secure the City's long term competitiveness and economic prosperity.

2.48 The overall vision set out within the strategy is that by 2020:

“Sheffield will be a strong, sustainable, international economy driven by enterprise, innovation and knowledge. The city will be known for its distinctive and high performing sectors, its unrivalled quality of place and its highly skilled workforce.”

2.49 The Strategy recognises, however, that Sheffield is not currently fulfilling its economic potential, with a £1.6billion prosperity gap in GVA in comparison to the national average. The lack of higher value, higher skilled sectors in comparison to other major UK cities, is identified as a key factor currently suppressing the level of GVA being produced in Sheffield.

2.50 Key sectors identified as offering the potential to deliver stronger growth in GVA include:

- Manufacturing: employing over 82,000 people and contributing £3.5 billion to the wider City Region's GVA, with particular strengths in advanced manufacturing and multi-disciplinary expertise in areas including advanced casting, forging, machining, joining, coating and fabrication of special steel, nickel and titanium alloy products;
- Creative and digital industries: highlighted as one of Sheffield's highest value sectors in Sheffield (measured by GVA per job of £53,000), set to grow significantly by 2020 in both GVA and employment. The sector is characterised by an abundance of high performing home-grown businesses, micro start-ups and freelancers, combined with key inward investment from international market leaders;
- Healthcare technologies: with key strengths in research and development, human-centred design, rapid prototyping, precision manufacturing and assistive technologies, and ability to produce, quality assure and distribute new products; and
- Low carbon industries: comprising over 300 companies, employing approximately 10,000 people, and contributing £570 million in GVA across the wider City Region. Growth potential is enhanced by an established supply chain and expertise in advanced manufacturing.

2.51 Other sectors identified as offering strong jobs growth potential include:

- Business, professional and financial and services;

¹¹ http://www.welcometosheffield.co.uk/content/images/fromassets/100_2002_280313101103.pdf

- Tourism, leisure and sport; and
- Transport and logistics.

2.52 The above sectors are forecast to grow in employment terms by more than 18% by 2020. The Strategy also highlights a number of underpinning ‘support’ sectors that make a significant contribution with respect to employment but do generate significant GVA. This includes: retail; construction; other services (wholesale and real estate); and the public sector.

2.53 In order to generate growth within Sheffield’s key sectors, the Strategy seeks to:

- Strengthen the city’s private sector and rebalance growth so that both Sheffield’s public and private sector are productive, strong and growing;
- Increase the pipeline of new businesses and increase the number of high performing – high value businesses;
- Harness the growth potential of our Small and Medium Sized Enterprises (SMEs);
- Improve the overall competitiveness and productivity of the existing business base, and secure higher growth in knowledge intensive sectors;
- Continue to improve the city’s skills base to make skills a future differentiator for the city’s economy;
- Connect our highly skilled people into the business base to stimulate innovation and growth; and
- Support job creation and ensure that the benefits of economic growth are shared across the city, with local people seeing the benefits in more jobs and improved incomes.

2.54 The key outcomes linked to these objectives are outlined in Table 2.2 below:

Table 2.2 2020 Economic Objectives

Core Economic Outcomes	Current Performance	2020 Target
Improved overall Competitiveness ranking	241 / 379 UK Cities	Top 175
Increased GVA per head	£17,752	£20,200
More private sector knowledge jobs	20%	23.5%
Higher gross annual wages	£24,328	£27,600
Improved employment rate	64.1%	67.9%

Source: Sheffield Economic Strategy

3.0 Economic Context

3.1 This section establishes the economic context for the study by reviewing recent economic conditions and trends within Sheffield and Rotherham, relative to the regional and national economy. This is important in identifying the existing strengths and weaknesses of the local economy, and the factors likely to influence the nature and level of future demand for employment space.

Geography and Connections

3.2 Sheffield forms a predominantly urban authority, covering a total area of c.36,800ha and with a population of 563,700.¹² The principle settlements within Sheffield include the city of Sheffield, Stocksbridge, Ecclesfield and Bradfield.

3.3 Rotherham also forms a predominantly urban authority, covering 28,650ha and with a population of almost 260,100.¹³ The principle settlements within Rotherham include Rotherham town and the urban settlements of Maltby, Swinton, Rawmarsh and Wath-upon-Dearne.

3.4 The neighbouring authorities of Sheffield and Rotherham are located in South Yorkshire, within the Sheffield City Region Local Enterprise Partnership area. They are bounded by: Barnsley to the North, Bassetlaw and Doncaster to the East, North East Derbyshire, Bolsover and the Derbyshire Dales to the South and High Peak to the West.

3.5 Both local authority areas benefit from good public transport infrastructure, with a network of bus routes and local rail services which provide frequent services connecting residents to destinations throughout South Yorkshire. Key road connections also include:

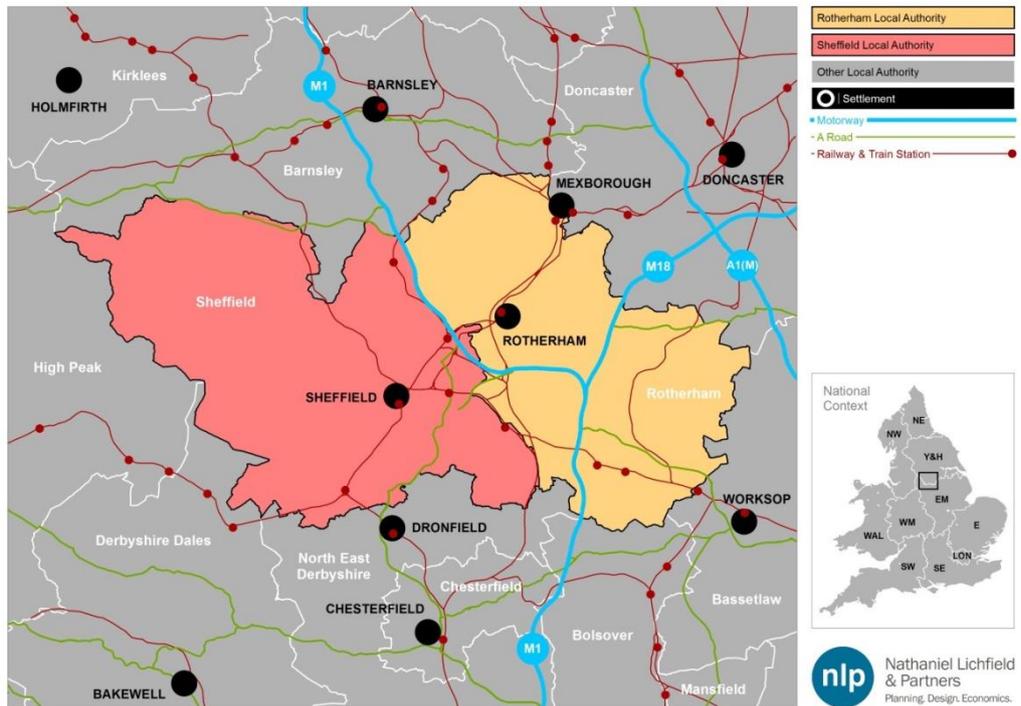
- The M1 - a key strategic route connecting to Leeds in the North and London to the South and the M18;
- The A57 - connecting Sheffield to the M1 and A1; and
- The A631, A630 and A57 – connecting Rotherham to Sheffield and the M1.

3.6 In terms of main line rail access, Sheffield has a train station with direct access to the East Midlands Mainline Services. Rotherham also has a train station with frequent links to both Sheffield and Doncaster, from where East Coast Mainline services can be accessed, as shown in Figure 3.1.

¹² ONS mid-year population estimates, 2014

¹³ *ibid*

Figure 3.1 Spatial Context of Sheffield and Rotherham



Source: NLP analysis

Economic Trends

3.7 Current economic conditions and trends in Sheffield and Rotherham are summarised below, with comparisons made, where appropriate, with regional and national averages. Data is drawn from published Office for National Statistics (ONS) sources via Nomis and Experian Ltd. unless indicated otherwise.

Unemployment

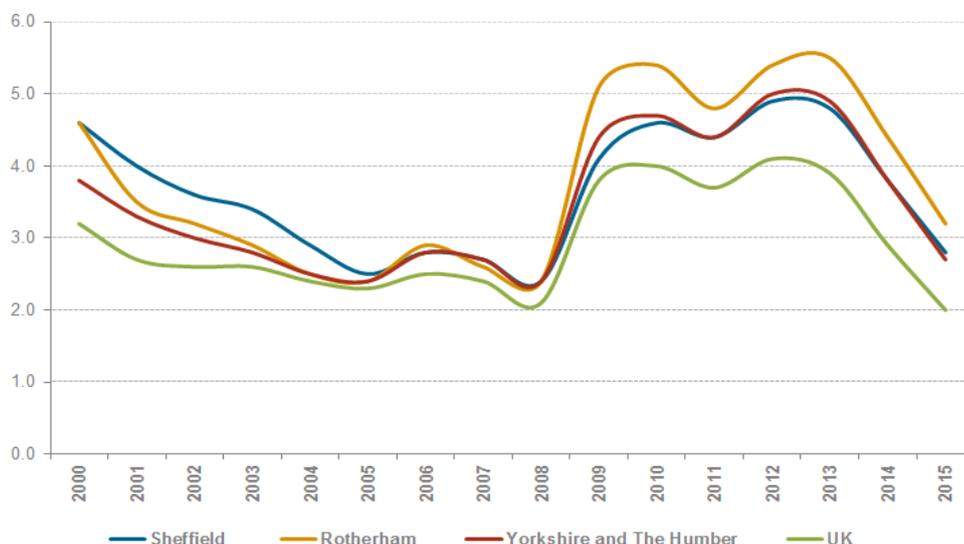
3.8 As shown in Figure 3.2, claimant unemployment levels rose significantly in both Sheffield and Rotherham between 2008-2010 and 2011-2013 (reflecting periods of recession), with unemployment levels peaking at 4.8% in Sheffield and 5.5% in Rotherham in March 2013. The level of Jobseeker's Allowance (JSA) claimants remained relatively high throughout this period across both areas, before consistently dropping again from June 2013 to reach a five year low in 2015.

3.9 Claimant unemployment has remained higher in Rotherham than Sheffield in recent years, despite Rotherham demonstrating lower levels of unemployment prior to the economic downturn. This suggests that the impact of the recession has been greater in Rotherham.

3.10 The current claimant unemployment rate in Sheffield (2.8%) is comparable to the Yorkshire & the Humber region (2.7%), but higher than the national

average (2.0%). Claimant rates in Rotherham are also higher than the regional average, at 3.2%.¹⁴

Figure 3.2 Changes in JSA Claimant Rates in Sheffield and Rotherham, 2000 - 2015



Source: NOMIS / NLP analysis

- 3.11 On the wider Annual Population Survey measure,¹⁵ unemployment rates in both Sheffield and Rotherham (9.5% and 8.9% respectively) are higher than the regional average (7.6%) and significantly higher than the UK average (6.4%).¹⁶
- 3.12 The proportion of working age residents claiming key out-of-work benefits (comprising job seekers, incapacity benefits, lone parents and other income related benefits) provides another indicator of labour market participation. DWP (Department for Work and Pensions) data for August 2014 indicates that 14.2% of Sheffield's working-age population were claiming key out-of-work benefits. This is comparable to the regional average (14.2%), but higher than the national average (12.7%). Data for Rotherham, however, indicates a higher proportion (17.4%) of working age residents are claiming out-of-work benefits than both the regional and national averages.

Workforce Jobs

- 3.13 Based on Experian data it is estimated that Sheffield registered 283,900 workforce jobs in 2015, representing an increase of 10.2% in comparison to the city's level in 2000. This increase was higher than in the Yorkshire & the Humber (9.8%), but lower than the UK average (14.0%).

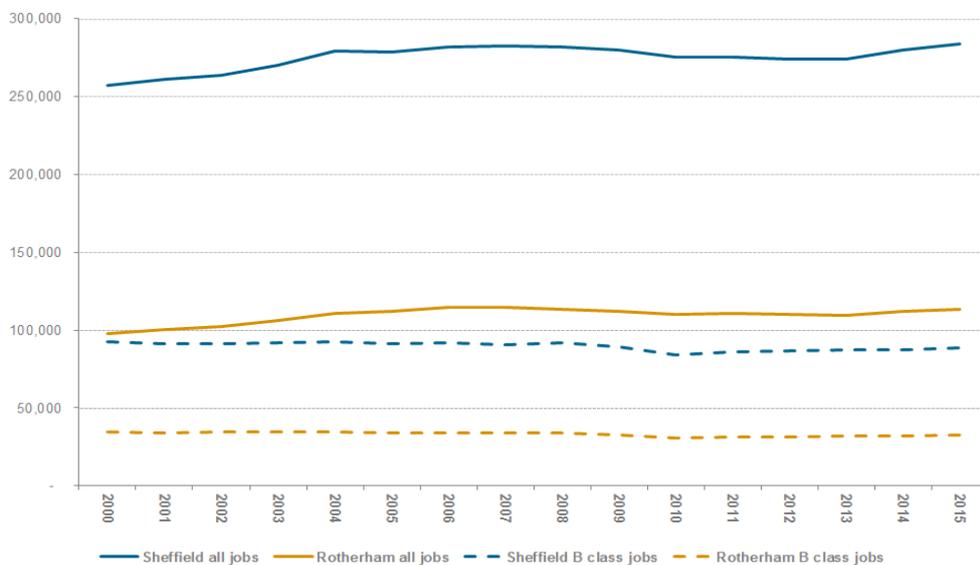
¹⁴ ONS claimant count (March 2015)

¹⁵ This records all those searching for work but who are currently unemployed regardless of whether they are claiming jobseekers allowance or not

¹⁶ ONS Annual Population Survey (December 2013- December 2014)

- 3.14 Over the same period, Rotherham experienced stronger growth than both the regional and national average. Between 2000 and 2015, workforce jobs in Rotherham grew by 16.0% to 113,300 jobs.
- 3.15 Between 2001 and 2007, Sheffield and Rotherham recorded a steady increase in workforce jobs, equating to around 3,600 new jobs per annum in Sheffield and 2,500 in Rotherham. Between 2007 and 2012, however, the number of workforce jobs across both areas declined by an average rate of -1,400 jobs per annum in Sheffield and -900 in Rotherham. This corresponds with a regional decline over this period and a declining number of warehouse and industrial jobs supported within Sheffield and Rotherham.
- 3.16 Overall, the proportion of B class jobs in both areas has remained relatively stable over recent years, representing approximately 17% of all jobs in Sheffield and 21% in Rotherham (Figure 3.3).

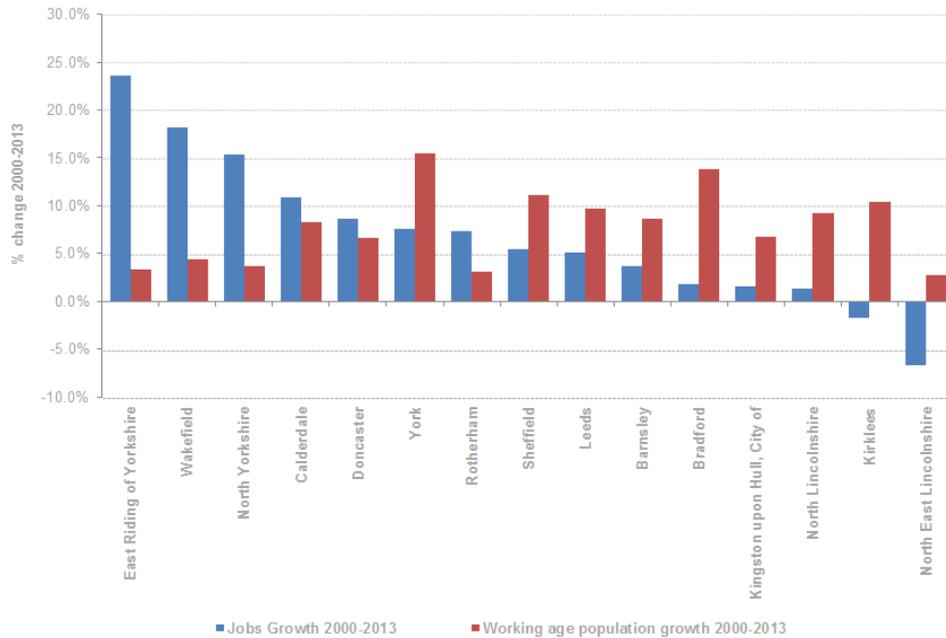
Figure 3.3 Changes in Total Workforce Jobs and B Class Jobs in Sheffield and Rotherham (2000-2015)



Source: Experian 2015 / NLP analysis

- 3.17 As shown in Figure 3.4, working age population growth has historically lagged behind jobs growth in Rotherham, a trend which is comparable to a number of other local authorities within the region, including East Riding, Wakefield, Calderdale and Doncaster. The opposite trend is observed in Sheffield, where working age population growth has historically exceeded jobs growth. This is a trend observed within a number of other, larger urban authorities across the wider region, including York, Leeds, Barnsley, Bradford and Kingston upon Hull.

Figure 3.4 Changes in Working-Age Population and Total Workforce Jobs, 2000 - 2013



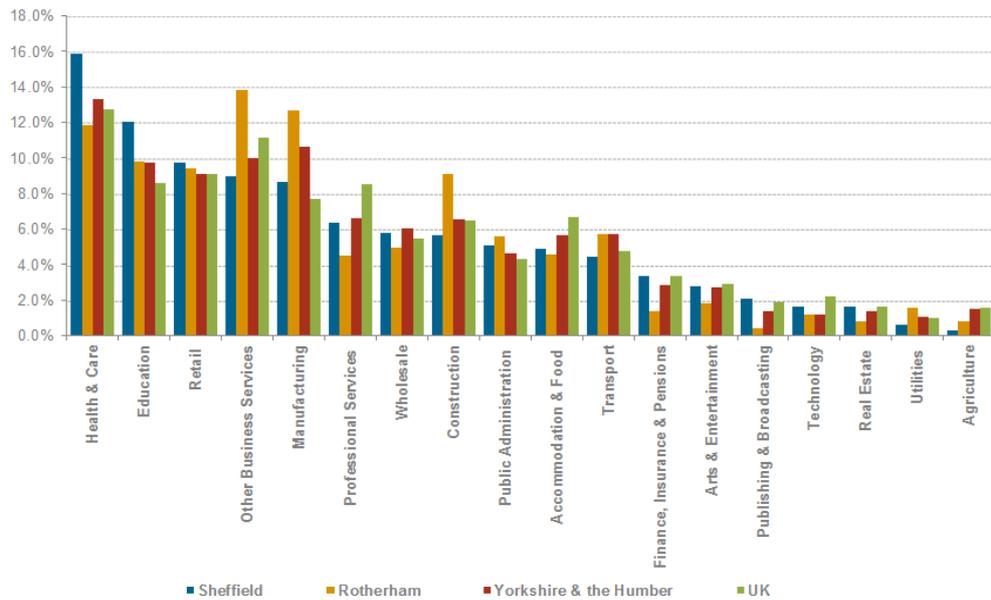
Source: ONS Mid-Year Population Estimates 2013 / ONS Workforce Jobs / NLP analysis

Employment by Sector

3.18 As illustrated by Figure 3.5, Sheffield’s key employment sectors comprise of health & care (15.9%), education (12.1%) and retail (9.7%). Sheffield has a comparatively high representation across these sectors compared to the regional and national average, but a relatively low representation in the agriculture, utilities, construction, accommodation & food, transport and other business services sectors.

3.19 In Rotherham, the key employment sectors include other business services (13.9%), manufacturing (12.7%) and health & care (11.8%). These sectors represent a higher proportion of employment than the regional and national average, along with the retail, construction and public administration sectors. In contrast, Rotherham has a comparatively low representation in the professional services, accommodation & food, arts & entertainment, real estate, agriculture and publishing & broadcasting sectors in comparison the regional and national average.

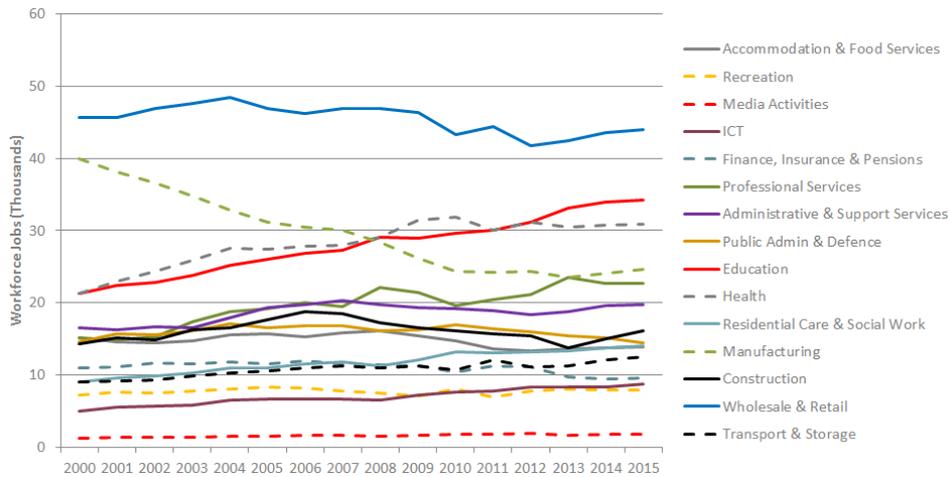
Figure 3.5 Key Employment Sectors, 2015



Source: Experian 2015 / NLP analysis

- 3.20 Over the period from 2000 to 2015, employment in real estate was Sheffield’s fastest growing sector in percentage terms (+2,350 employees, +106.8%). However, in absolute terms, Sheffield’s fastest growing sector was health & care, rising by 14,800 employees, or 49%. Strong growth was also observed in education (+12,960 or +61%), professional services (+5,170, or +40.1%) and transport (+3,520, or +39.1%).
- 3.21 Conversely, a number of sectors experienced a contraction in employment in Sheffield over the same period. Employment in manufacturing fell by -15,250 (or -38.2%), demonstrating a similar pattern to that experienced across the UK (-34.3%), but a more pronounced decline than experienced across the region as a whole (-28.8%). Employment in finance, insurance & pensions (-12.7%) and public administration (-1.4%) also fell, broadly reflecting trends observed at the regional and UK level. Additionally, employment in agriculture, utilities, retail, accommodation & food fell in Sheffield despite (limited) national growth across these sectors.
- 3.22 Figure 3.6 below provides a summary of the year-on-year changed observed across the period for all sectors accounting for more than 1,000 jobs.

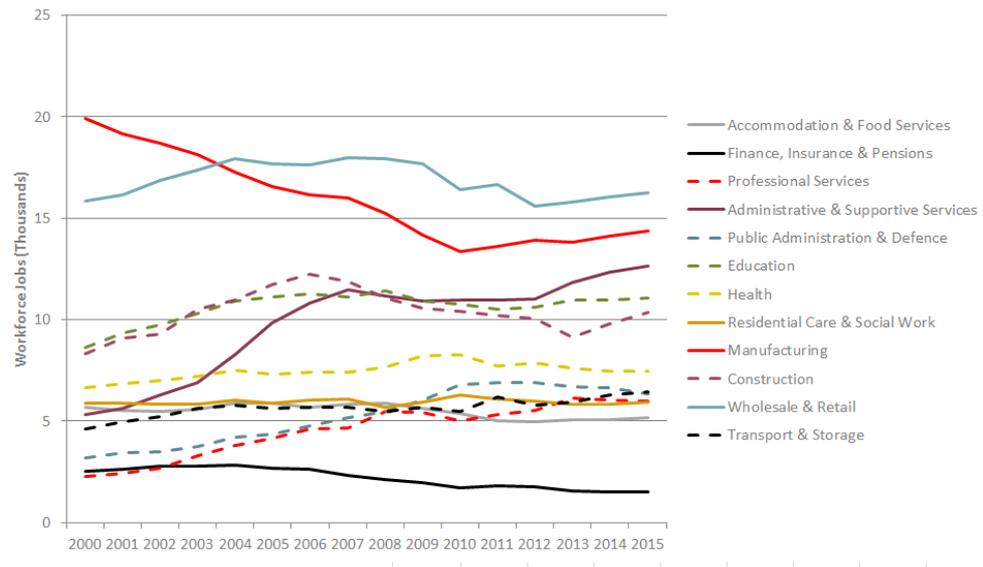
Figure 3.6 Employment by Year, Sheffield (2000-2015)



Source: Experian / NLP analysis

- 3.23 In Rotherham, employment in professional services was the fastest growing sector in percentage terms (+3,360 employees, +192%). In absolute terms, Rotherham’s fastest growing sector was other business services (+7,760, or 9.8%), followed by professional services and public administration (+3,180, or 10.0%). Strong growth was also observed in education (+2,480, or 2.9%) and construction (+2,030, or 2.4%).
- 3.24 Over the same period, a number of sectors in Rotherham experienced a decline in the number of employee jobs. Manufacturing accounted for the largest decline in absolute terms (-5,570 employees, or -28%), whilst finance, insurance & pensions experienced the strongest decline in percentage terms (-1,010, or 39.8%) - albeit from a relatively low base. Employment in agriculture and arts & entertainment also fell in Rotherham despite regional and national growth across these sectors.
- 3.25 Figure 3.7 below provides a summary of the year-on-year changed observed across the period for all sectors accounting for more than 1,000 jobs.

Figure 3.7 Employment by Year, Rotherham (2000-2015)

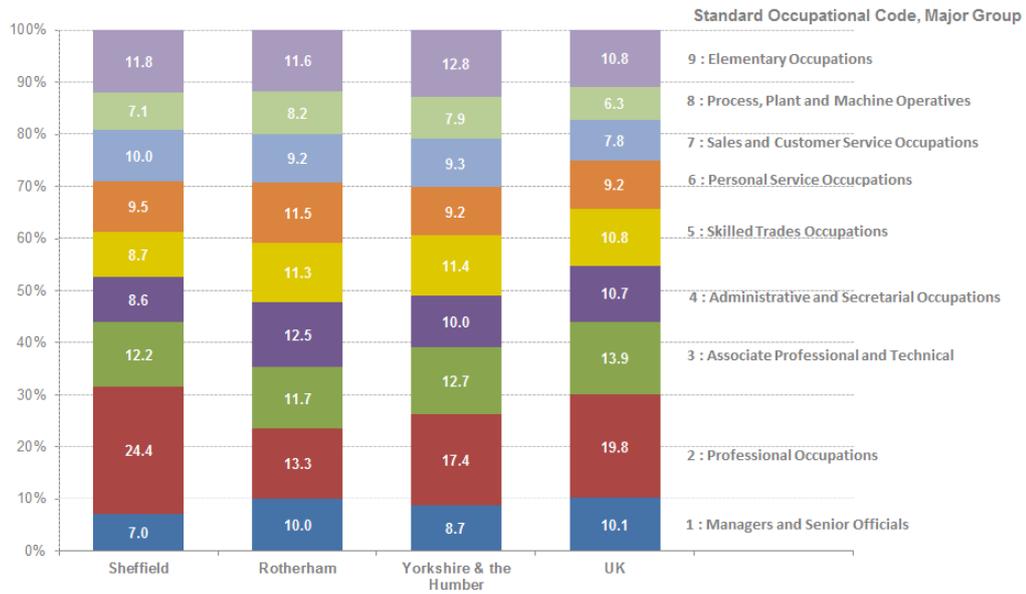


Source: Experian / NLP analysis

Employment by Occupation

- 3.26 The profile of Sheffield and Rotherham’s labour force shows that the local authorities have a broadly similar profile to the regional and national average (Figure 3.8).
- 3.27 In terms of highly skilled occupations (managers, directors & senior officials and professional occupations), Sheffield has a similar proportion (31.4%) to the national average (29.9%), and a higher proportion than the regional average (26.1%). Rotherham, however, has a slightly lower proportion of highly skilled occupations (23.3%) than both the regional and national average.
- 3.28 For lower skilled, manual jobs (elementary occupations and process, plant & machine operatives), both Sheffield and Rotherham have a lower proportion (18.9% and 19.8% respectively) relative to regional average (20.7%), but a slightly higher proportion than the national average (17.1%).

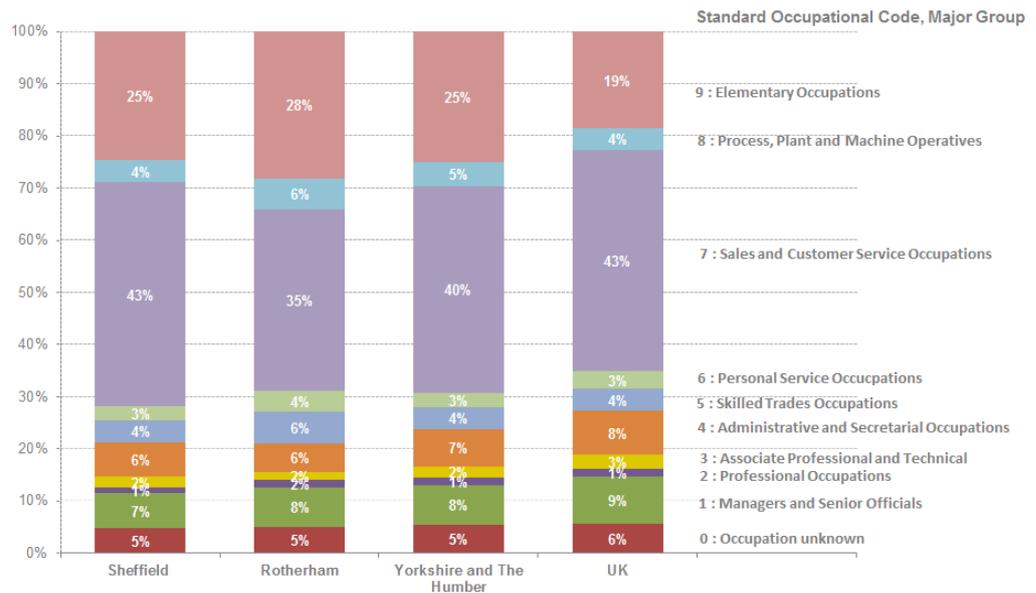
Figure 3.8 Employment by Occupation, 2014



Source: Annual Population Survey (December 2014) / NLP analysis

- 3.29 An analysis of the types of jobs sought by unemployed residents in Sheffield and Rotherham demonstrates a broadly similar pattern to the regional average.
- 3.30 A significant proportion of total job seekers in Sheffield (31.8%) are seeking work in lower skilled, manual jobs (including elementary occupations and process, plant & machine operatives), representing a lower level to those seeking such jobs across the region (33.8%), but a higher proportion than the national average (26.7%). In Rotherham, 35.9% of residents are seeking employment in elementary occupations, exceeding both the regional and national average.
- 3.31 In Sheffield, 8.5% of residents are seeking work in highly skilled occupations, representing a higher proportion than the regional average (7.9%), but lower than the national average (9.2%). In Rotherham, however, 6.9% of residents are seeking employment in highly skilled occupations, representing a lower proportion than both the regional and national average.

Figure 3.9 Key Occupations Sought by Job Seekers



Source: ONS 2014/ NLP analysis

Skills

- 3.32 The proportion of working age residents with no qualifications is estimated at 10.8% for Sheffield and 9.9% for Rotherham, both of which exceed the corresponding figure at the national level (9.0%). Whilst Sheffield is also higher than the regional level (9.8%), Rotherham is broadly in alignment.
- 3.33 For higher level qualifications (NVQ level 4+), Sheffield (35.2%) outperforms both Rotherham (23.1%) and the regional average (29.7%), although is slightly lower than the national average (35.8%). The presence of higher level skills in Sheffield may, in part, be attributable to the presence of two local universities (Sheffield Hallam and the University of Sheffield). This indicates a highly skilled workforce and the corresponding potential to attract more knowledge-based businesses.

Knowledge Based Industries

- 3.34 The term ‘knowledge-based industries’ usually refers to those industries where value-added is derived from the accumulation of knowledge, often fostered through innovative activities and the increasing use of technology. Such sectors tend to have more growth potential and can signal an economy’s competitiveness.
- 3.35 Table 3.1 below indicates that around 18.7% of firms within Sheffield were classified as knowledge-based in 2008, which is higher than the regional (16.9%) but lower than the national average (21.8%). Compared to all other districts in England, Sheffield is mid-ranked, placing 192nd out of 380 authorities.

- 3.36 In Rotherham, 14% of firms were classified as knowledge-based in 2008, which was lower than both the regional (16.9%) and national (21.8%) average. This places Rotherham within the lowest 20% of districts in England for knowledge-based businesses, ranking 313th out of 280 authorities.
- 3.37 Whilst both Sheffield and Rotherham are less well represented in knowledge-based activities compared with the national average, they are better represented when compared with a number of other areas in the Yorkshire & Humber region (Table 3.3). Sheffield in particular, is better represented when compared with other areas in the region, ranking 4th out of 21 local authorities. This suggests that the local economy of Sheffield is better placed to create higher levels of growth in the future than the majority of the surrounding areas.

Table 3.1 Percentage of knowledge based businesses in Local Authorities within Yorkshire & the Humber

Ranking	Local Authority	2008 (%)
1	Harrogate	22.8
2	Leeds	22.4
	UK	21.8
3	York	20.1
4	Sheffield	18.7
5	Hambleton	18.1
6	Selby	17.7
7	Bradford	17.7
	Yorkshire & the Humber	16.9
8	Calderdale	16.6
9	East Riding of Yorkshire	15.5
10	Kirklees	15.5
11	Craven	15.4
12	Wakefield	14.3
13	North Lincolnshire	14.1
14	Rotherham	14.0
15	Richmondshire	13.8
16	Barnsley	13.7
17	Doncaster	13.3
18	Ryedale	13.2
19	North East Lincolnshire	12.7
20	Kingston upon Hull, City of	11.5
21	Scarborough	9.8

Source: UK Competitiveness Index 2010

Business Demography and Enterprise

- 3.38 Sheffield and Rotherham support relatively low levels of business start-ups, with just over 58 and 60 new business registrations respectively per 10,000 working age population, compared with 68 across Yorkshire & the Humber and 85 across the UK.¹⁷
- 3.39 Self-employment in both local authorities also falls below the national average, with just 7.9% of Sheffield's and 8.7% of Rotherham's working age population falling within this category, compared with 10.0% nationally in 2014.¹⁸ This

¹⁷ ONS, Business Demography Statistics (2013)

¹⁸ ONS Annual Population Survey (September 2013- September 2014)

points towards limited levels of entrepreneurship in the local economy compared to other parts of the country. In comparison to the region (8.7%), however, Rotherham demonstrates a similar trend.

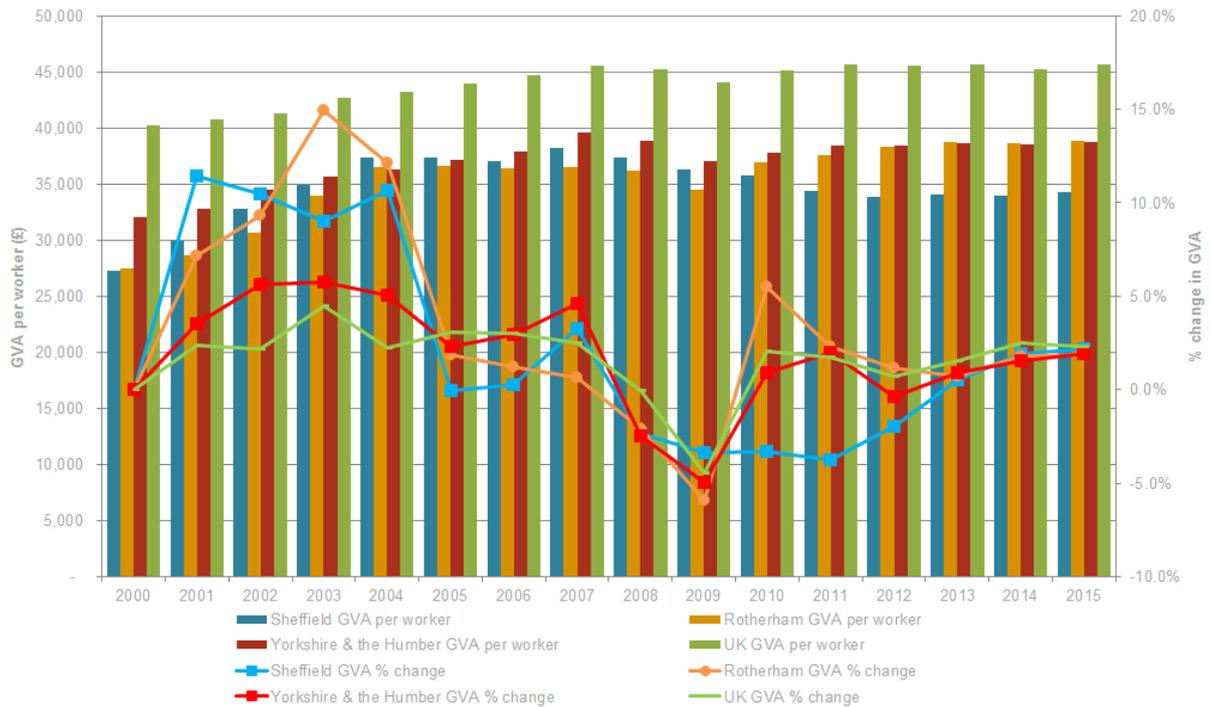
- 3.40 Both Sheffield and Rotherham have a slightly lower proportion of small firms employing between 0 and 9 workers (84.7% in both areas) than in Yorkshire & the Humber (86.8%) and the UK (88.3%). Sheffield and Rotherham both accommodate the same proportion of large firms employing at least 50 workers (2.8%), which is slightly higher than the regional (2.3%) and national (2.1%) average.¹⁹

Productivity

- 3.41 Productivity (measured by Gross Value Added [GVA] per worker) within the labour force in Sheffield in Q1 of 2015 is estimated at £34,237 per worker, which is lower than both the regional (£38,714) and national (£45,608) equivalent. GVA per worker within the Rotherham labour force, however, whilst falling below the national average, currently exceeds the regional average, at £38,874 per worker.
- 3.42 As shown in Figure 3.10, GVA per worker in Sheffield and Rotherham remained below the national average over the period 2000-2014. This could reflect a higher concentration of lower value employment within Sheffield and Rotherham and indicates scope to enhance productivity levels and output in future.
- 3.43 Since 2000, however, growth in GVA per worker in both Sheffield (+25.6%) and Rotherham (+41.7%) has exceeded the regional rate of growth (20.9%), and significantly exceeded the national rate of growth (13.3%) over the same period. Over this time, GVA per worker in Rotherham has grown from 85.6% of the regional average in 2000 to 100.4% in 2015. The gap between Sheffield and Yorkshire & the Humber performance has also narrowed, but to a lesser extent (rising from 85.1% in 2000 to 88.4% in 2015).

¹⁹ ONS, Inter Departmental Business Register, 2014

Figure 3.10 Average GVA per Worker and percentage change, 2000-2015



Source: Experian 2015 / NLP analysis

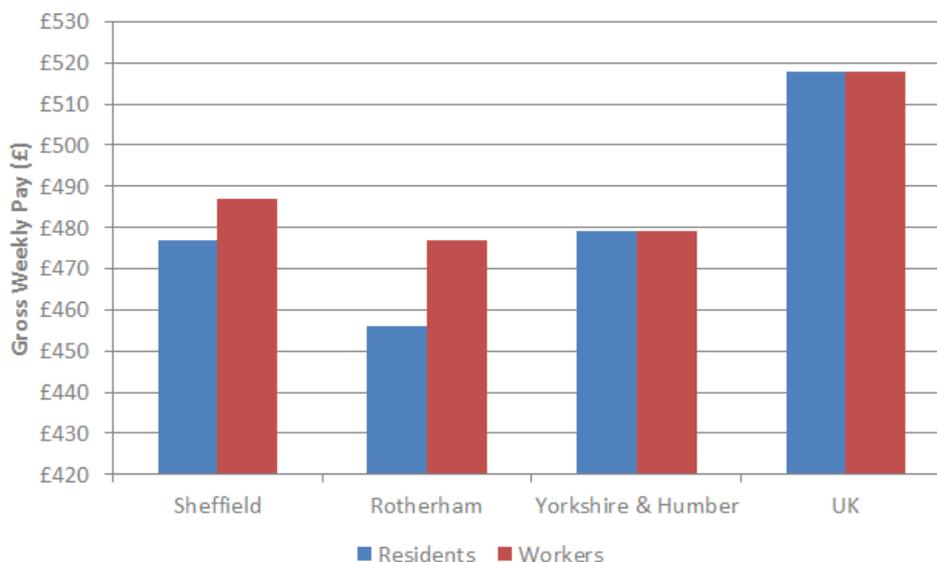
- 3.44 Despite generating lower GVA figures per worker, Sheffield's total economic output in Q1 of 2015 is £9,718 million. This represents 9.6% of the total economic output for Yorkshire and the Humber and 0.6% for the UK (reflecting the area's larger population). Rotherham's total economic output in 2015 is £2,613 million, representing 4.4% of the total economic output for Yorkshire and the Humber and 0.3% for the UK.
- 3.45 By 2030, Sheffield and Rotherham's GVA is predicted to account for the same proportion of national GVA (at 0.6% and 0.3% respectively). In terms of performance relative to Yorkshire & the Humber, Sheffield's GVA is anticipated to account for a slightly higher proportion of regional GVA (9.9%) in 2030 and Rotherham a slightly smaller proportion (4.3%).
- 3.46 Real estate, education, manufacturing and health represent the largest generators of GVA in both Sheffield and Rotherham. Together, these sectors account for 45.3% of Sheffield's GVA and 39.5% of Rotherham's GVA.
- 3.47 GVA generated in the education sector in Sheffield (10.9%) and Rotherham (9.8%) exceeds the national average (6.6%). GVA generated in health in Sheffield (10.3%) is also nearly double the national average (5.5%).
- 3.48 The manufacture of metal products (including the Steel industry) accounts for a higher proportion of GVA in Sheffield (4.3%) and Rotherham (5.1%), in comparison to the regional (2.0%) and national (1.0%) average. Whilst the sector is contracting in employment terms, this has not given rise to a commensurate decline in GVA. This perhaps reflects the increased use of technology as part of the restructuring of the sector.

- 3.49 Employment in manufacturing metal products in Sheffield for instance, fell by 52% between 2000 and 2015. Gross Value Added (GVA) output over the same period, however, fell from £563.21 million in 2000 to £414.53 million in 2015, representing a 36% reduction in GVA. Rotherham also demonstrates a similar trend, with employment falling by 44% and GVA falling from £260.74 million in 2000 to £225.16 million in 2015, or 14% over the same period.

Earnings

- 3.50 Gross weekly resident wages in Sheffield in 2014 (£477.0) were higher than Rotherham (£456.3) but lower than the regional (£479.0) and national averages (£518.0). Those who work in Sheffield (£487.2) and Rotherham (£476.6), however, earn more than residents. This indicates that the types of jobs available locally are higher paid than elsewhere in the sub-region (and beyond) and that many workers are commuting in to higher paid jobs within Sheffield and Rotherham from homes in the surrounding authorities.

Figure 3.11 Median Gross Weekly Earnings



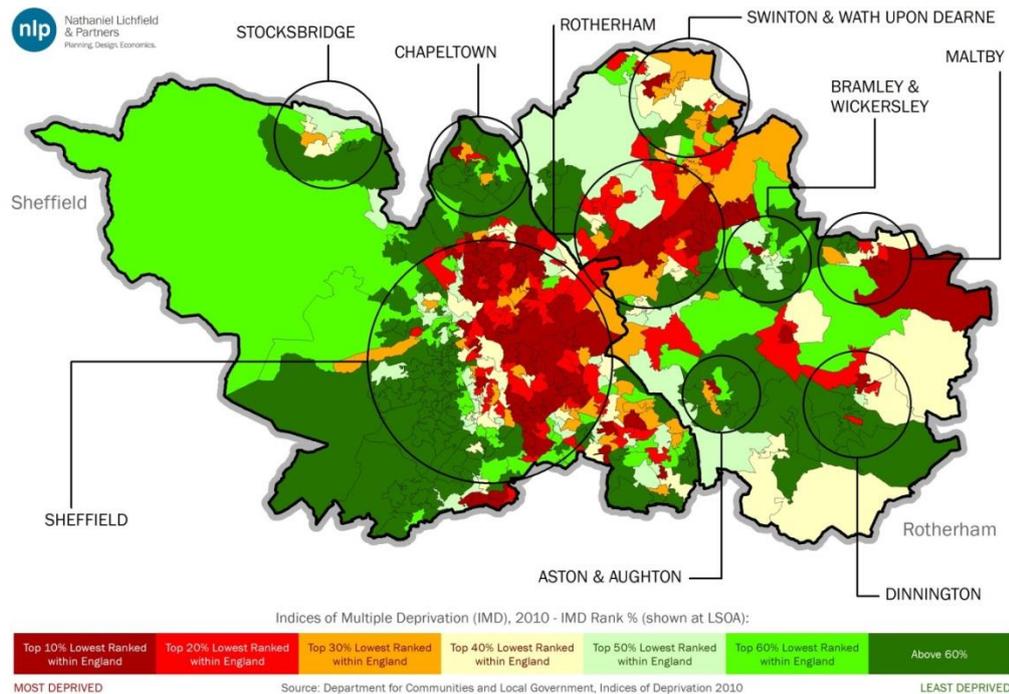
Source: Annual Survey of Hours and Earnings 2014

Deprivation

- 3.51 Sheffield is characterised as having relatively high levels of deprivation, with a ranking of 84th out of 326 local authorities areas in the latest Indices of Multiple Deprivation (2010), placing the local authority in the most deprived 30% in England. Rotherham has a higher level of deprivation, ranking 52nd out of 326, placing the authority in the most deprived 20%.
- 3.52 The performance of Sheffield has remained relatively constant, albeit with a marginal decline since the 2007 Deprivation Indices were published, falling from 89th. Rotherham's performance has also worsened - but to a greater extent - falling from 76th in 2007.

3.53 Analysis at a more local level also reveals significant variations within Sheffield and Rotherham, with long term unemployment and worklessness remaining entrenched in pockets of deprivation across the local authorities, in particular within: Stocksbridge, Chapeltown and Sheffield City Centre in Sheffield; and Swinton & Wath upon Dearne, Maltby, Bramley & Wickersley, Dinnington, Aston & Auton and Rotherham town centre in Rotherham.

Figure 3.12 Indices of Multiple Deprivation 2010: Sheffield and Rotherham



3.54

Source: IMD 2010

Functional Economic Market Area

3.55 The Joint Economy of Sheffield and Rotherham Report²⁰ was commissioned in 2007 to identify and examine the nature of interdependencies present between the two local authority districts to feed into policy development.

3.56 The study concluded that:

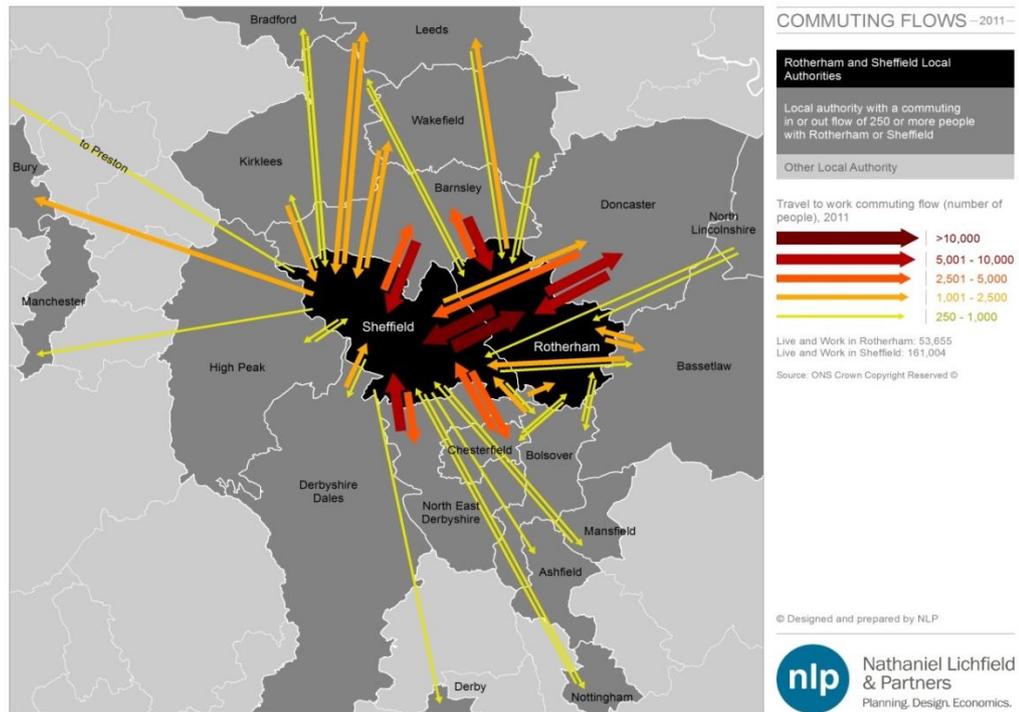
- The economic centres of the two local authority areas are continuously linked through direct business interactions (supply chains and clusters), based on strong sectoral complementarities in a number of industries including manufacturing, telecommunications, other business services and computer services; and
- The two local authorities have strong labour market linkages, with some 9.8% of total Sheffield/Rotherham jobs involving a cross border commute.

²⁰ University of Birmingham Centre for Urban and Regional Studies School of Public Policy, (2007), The Joint Economy of Sheffield and Rotherham Final Report to Rotherham MBC http://www.rotherham.gov.uk/corestrategyexamination/downloads/file/453/leb41_the_joint_economy_of_sheffield_and_rotherham_2007

- 3.57 Based on the above, the report recommends that the two local authorities should be viewed as a single economic unit, separated only by the patterns of housing across the two areas. The strengths of the combined authorities are also expected to support continued growth, if underpinned by the appropriate planning frameworks and allocation mechanisms.
- 3.58 In order to provide an updated assessment of the linkages between the two local authority areas, the latest travel-to-work flow data from the 2011 Census has also been assessed. Guidance published by Communities and Local Government (CLG) in 2010 indicates that examining commuting flows can help to define the functional economic market area of an economy.²¹
- 3.59 This data shows that in 2011, approximately 22.3% of Sheffield's working residents travelled outside the local authority for employment. The authority's self-containment rate (i.e. share of residents also working within Sheffield) was equivalent to 71.6%, having declined from 75.1% at the time of the previous Census in 2001. The worker outflow in 2011 equated to just over 46,000, with the largest flows to Rotherham (6%), Barnsley (2%), North East Derbyshire (2%) and Chesterfield (2%).
- 3.60 At the same time, around 63,750 workers commuted into Sheffield for work in 2011, primarily coming from the adjoining authorities of Rotherham (10%), North East Derbyshire (4%), Barnsley (4%) and Doncaster (2%).
- 3.61 In Rotherham, approximately 45% of residents travelled outside the local authority for employment in 2011. The authority's self-containment rate is therefore much lower than Sheffield's, at 59.2%, having declined from 69.5% in 2001. In total, just under 44,000 residents commuted out of Rotherham for work, with the largest flows to Sheffield (23%), Doncaster (6%), Barnsley (3%) and Bassetlaw (2%).
- 3.62 In terms of inflows, almost 37,000 workers commuted into Rotherham for work in 2011, with the largest share of in-commuting workers residing in Sheffield (13%), Barnsley (9%) and Doncaster (8%).
- 3.63 It should be noted that a further 18,872 (8.3%) of Sheffield's and 8,727 (8.2%) of Rotherham's working residents were classified by the 2011 Census as having no fixed place of work. This group is likely to include sole traders and skilled trade workers who undertake their work at various sites on a job-by-job basis. It is anticipated that many of these residents will also largely work within the local authority, suggesting that Sheffield's and Rotherham's self-containment rates, in reality, are likely to be higher than 71.6% and 59.2% respectively.

²¹ CLG, Functional Economic Market Areas: An Economic Note, 2010

Figure 3.13 Travel-to-Work Flows for Sheffield and Rotherham, 2011



Source: Census 2011 / NLP analysis

- 3.64 As shown in Figure 3.13 above, both Sheffield and Rotherham have strong linkages to South Yorkshire and (to a lesser extent) the East Midlands. However, the strongest linkages exist between Sheffield and Rotherham.
- 3.65 The ONS defines labour market areas as those areas in which the bulk of the resident population also work within the same area. Defining labour market areas requires an analysis of commuting patterns to identify Travel to Work Areas (TTWAs) for local economies. The current criteria for defining TTWAs is that generally at least 75% of an area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area. The area must also have a working population of at least 3,500.
- 3.66 Applying this methodology to the 2011 Census, it is possible to define Sheffield's TTWA as the two local authority areas of Sheffield and Rotherham, which together comprise the workplace for 83% of Sheffield's resident working population and the residence for 82% of Sheffield's workers.
- 3.67 Rotherham's TTWA is slightly broader, including Rotherham, Sheffield and Doncaster. Together, these local authorities form the workplace for 82% of Rotherham's resident working population and 81% of Rotherham's workers.
- 3.68 Between 2001 and 2011, the net inflow of workers from Sheffield reduced as the number of in-commuting resident workers increased at a lower rate than the number of workers commuting out of the local authority. This is reflected by a lower self-containment rate in 2011 (75%) than in 2001 (71%) (Table 3.2).

3.69 Over the same period, Rotherham experienced an increase in worker inflows, as the number of in-commuting workers increased at a higher rate than out-commuting residents. This resulted in a net increase in in-commuting flow of +5,380 workers, and a net reduction in the self-containment rate from 69.5% in 2001 to 59.2% in 2011.

Table 3.2 Changes in Travel-to-Work Flows in Sunderland, 2001 - 2011

	2001 Census	2011 Census	Change (2001 - 2011)
Sheffield			
Out-Commuting Working Residents	35,210	46,087	+10,877
In-Commuting Workers	60,650	63,752	+3,102
Net In-Commuting Flow	25,440	17,665	-7,775
Self-Containment Rate	75.1%	71.6%	-3.5%
Rotherham			
Out-Commuting Working Residents	40,951	43,856	+2,905
In-Commuting Workers	28,620	36,905	+8,285
Net In-Commuting Flow	-12,331	-6,951	+5,380
Self-Containment Rate	69.5%	59.2%	-10.3%

Source: Census 2001 & 2011 / NLP analysis

Note: Differences in the way that the two sets of Census data (2001 and 2011) record 'no fixed place of work' means that the two data sets are not directly comparable

3.70 As can be seen from Table 3.2 above, Sheffield is a net importer of labour, with a net inflow of almost 17,700 workers, equivalent to around 7.9% of all workplace jobs within the local authority.²² Rotherham, however, is a net exporter of labour, with an outflow of almost 7,000 residents, equivalent to 7.1% of all working residents in Rotherham.

3.71 Analysis of commuting flows for Sheffield and Rotherham in 2001²³ also points to a slight mismatch in terms of the job opportunities available locally, with similar proportions of residents commuting both in and out for higher skilled occupations (such as higher managerial, professional and lower managerial & professional occupations) and lower skilled occupations (including routine occupations, or intermediate/lower supervisory and technical occupations).

3.72 As shown in Table 3.3 below, however, a higher proportion of in-commuters are employed within higher skilled occupations than those who live and work within the local authorities and a lower proportion of in-commuters are employed within lower skilled occupations.

²² Experian (2011) Workforce jobs

²³ Occupation group data for commuting flows has not yet been released for the 2011 Census

Table 3.3 Travel-to-Work Flows by Occupation Type, 2001

	Higher managerial	Higher professional	Lower managerial & professional	Intermediate	Small employers & own accounts	Lower supervisory & technical	Semi-routine	Routine
Sheffield								
Live & work in area	3.1%	7.0%	22.7%	13.7%	9.0%	9.3%	18.2%	12.5%
Commute out	7.4%	12.2%	31.7%	8.3%	3.5%	10.9%	9.5%	10.5%
Commute in	6.8%	8.6%	30.5%	14.7%	3.4%	10.1%	13.6%	9.2%
Rotherham								
Live & work in area	2.5%	3.0%	18.8%	12.1%	11.0%	11.4%	21.1%	17.4%
Commute out	5.3%	5.3%	27.1%	13.8%	3.6%	13.2%	15.8%	13.4%
Commute in	6.8%	7.4%	29.5%	12.8%	3.5%	12.1%	12.3%	13.5%

Source: Census 2001 / NLP analysis

Conclusions

- 3.73 Sheffield and Rotherham form part of the wider Sheffield City Region and share borders with Barnsley to the North, Bassetlaw and Doncaster to the East, North East Derbyshire, Bolsover and the Derbyshire Dales to the South and High Peak to the West.
- 3.74 Travel to work patterns reflect this wider geography, with linkages evident between South Yorkshire and the East Midlands. However, commuting links are strongest between the two local authority areas of Sheffield and Rotherham. As a result, Sheffield and Rotherham are recognised as one single economic entity, with a combined population of circa 810,000.
- 3.75 The current claimant unemployment rates in both Sheffield and Rotherham exceed the national average, and unemployment in Rotherham also exceeds the regional average. Despite this trend, both Sheffield and Rotherham have experienced strong employment growth over the past 15 years, outperforming regional growth rates. The proportion of B class jobs has remained largely the same during this period, reflecting strong growth in both B class and non-B class sectors (including health, education and utilities).
- 3.76 Restructuring of the manufacturing industry has led to a strong reduction in traditional manufacturing jobs in both local authorities, with accompanying high levels of claimant unemployed seeking work in elementary occupations, particularly in Rotherham. Having said this, manufacturing remains the most significant employer in Sheffield and Rotherham and accounts for a high proportion of overall economic output.
- 3.77 Other key sectors generating high levels of total GVA in Sheffield and Rotherham include real estate, education and health. Whilst GVA per worker remains below the national average in Sheffield and Rotherham, strong growth

observed between 2000 and 2015 has narrowed the gap between the regional performance, particularly in Rotherham.

- 3.78 Employment in Sheffield and Rotherham is largely dominated by the manufacturing, health, retail, other business services and education sectors. The presence of a number of local universities results in a higher than average proportion of highly skilled workers educated to degree level or above in Sheffield, and a corresponding high proportion of local firms operating in knowledge based industries in comparison to the regional average.
- 3.79 The business base in Sheffield and Rotherham accommodates a slightly lower share of smaller firms and a higher share of larger firms compared with regional and national averages. It is also characterised by relatively low levels of business start-up and self-employment in comparison to the national average (although Rotherham performs well in relation to regional average for self-employment).
- 3.80 Sheffield and Rotherham are characterised by generally high levels of deprivation. Workplace wages exceed resident wages, indicating that the types of jobs available locally are higher paid than those elsewhere in the sub-region, with workers commuting in from elsewhere to take up the higher paid jobs available in the study area.
- 3.81 Sheffield is a net importer of labour, with a net inflow in the order of 17,700 according to the 2011 Census. Rotherham, however, is a net exporter of labour, with approximately 7,000 residents (net) commuting out of the local authority for work. This trend is, however, in contrast with historic jobs and working-age population growth, which demonstrates that Rotherham has experienced stronger jobs growth in comparison to working-age population growth, and Sheffield stronger population growth than jobs growth. These trends have resulted in higher levels of growth in out-commuting workers from Sheffield and in-commuting workers to Rotherham in 2011 in comparison to 2001.
- 3.82 This mismatch in trends may, in part, be linked to the skills levels associated with in and out commuters, with commuters more likely to be employed within higher skilled occupations (such as higher managerial and professional occupations) than those who live and work in Sheffield and Rotherham.
- 3.83 Tables 3.4 and 3.5 provide a summary Sheffield and Rotherham's particular strengths, weaknesses, opportunities and threats, many of which will have a significant bearing on the future employment land requirement.

Table 3.4 SWOT Analysis: Sheffield

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong connectivity via road, rail and other public transport options. • Strong growth in workforce jobs experienced between 2000 and 2015. • Relatively stable levels of employment in B Class jobs. • Strong growth in the real estate, education, publishing & broadcasting, health and professional services sectors. • High proportion of highly skilled occupations and Knowledge Based Industries– exceeding the regional average and the majority of surrounding local authorities. • A high proportion of working age residents are qualified to degree level or above. • A high level of self-containment (commuting rate) and a net inflow of workers 	<ul style="list-style-type: none"> • Relatively high levels of JSA claimants in comparison to the national average. • Employment in traditional manufacturing jobs (particularly steel) has witnessed a significant, and ongoing, loss of jobs. • Pockets of severe deprivation. • Low levels of business start-ups and self-employment relative to the regional and national average. • A strong reliance on public sector jobs including health, education and public administration. • Mismatch in terms of local job opportunities, with high levels of both in and out-commuters employed in high skilled occupations. • Higher levels of residents with no qualifications than the regional and national average.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strong track record in Knowledge Based Industries and advanced manufacturing, providing opportunities to grow. • Highly skilled workforce. • Establishment of the Sheffield City Region Growth Plan dedicated to raising the City Region's profile as a location in which to locate and invest. • A programme of activities designed to drive stronger growth in GVA and jobs growth in the City Region. • Development of HS2 represents an opportunity to further improve the connectivity of the local area. 	<ul style="list-style-type: none"> • Further decline of traditional manufacturing industry/employment and associated contribution to GVA. • Higher levels of unemployed residents seeking employment in low skilled occupations than the regional and national average. • Further reduction in public spending could undermine growth in sectors with a strong representation (particularly public administration, education and health). • Competition for inward investment from neighbouring economic centres.

Table 3.5 SWOT analysis: Rotherham

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong connectivity via road, rail and other public transport options. • Strong growth in workforce jobs experienced between 2000 and 2015. • Relatively stable levels of employment in B Class jobs. • Strong growth in professional services, public administration, other business services, education and construction. • Strong growth in GVA per worker observed over 2000-2015, which is now higher than the regional average. • Comparable levels of self-employment to the regional average. 	<ul style="list-style-type: none"> • Relatively high levels of JSA claimants in comparison to the national and regional average. • Employment in traditional manufacturing jobs (particularly steel) has witnessed a significant, and ongoing, loss of jobs. • Pockets of severe deprivation. • Low levels of business start-ups relative to the regional and national average. • Low working age population growth relative to jobs growth, resulting in high levels of in commuting. • Mismatch in terms of local job opportunities, with high levels of both in and out-commuters employed in high skilled occupations. • Lower proportions of residents with higher level skills than the regional and national average.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strong track record in Knowledge Based Industries and advanced manufacturing, providing opportunities to grow. • Potential to increase local job opportunities in both areas, reducing the outflow of workers. • Establishment of the Sheffield City Region Growth Plan dedicated to raising the City Region's profile as a location in which to locate and invest. • A programme of activities designed to drive stronger growth in GVA and jobs growth in the City Region. • Development of HS2 represents an opportunity to further improve the connectivity of the local area. 	<ul style="list-style-type: none"> • Further decline of traditional manufacturing industry/employment and associated contribution to GVA. • Higher levels of unemployed residents seeking employment in low skilled occupations than the regional and national average. • Further reduction in public spending could undermine growth in sectors with a strong representation (particularly public administration, education and health). • Competition for inward investment from neighbouring economic centres.

4.0 **Commercial Property Market Signals and Intelligence**

4.1 This section describes current property market conditions in Sheffield and Rotherham, as well as the surrounding area, with a particular focus on South Yorkshire. It includes an analysis of recent trends in the demand for and the supply of industrial and office premises, as well as the factors influencing these. The analysis is based upon data collated by the Valuation Office Agency (VOA) and by SCC and RMBC. It is supplemented, where appropriate, with publically available research and discussions with local property agents and economic stakeholders.

Overview – Sheffield

4.2 Sheffield is an industrial city not, in the true sense of the word, a commercial city as (for example) Leeds and Manchester are. The city's manufacturing and industrial base, and the relationship with the Universities, remain its principal strengths. What commercial activity there is tends to exist to support and serve local business and industry, rather than to provide those services to a wider market.

4.3 The exceptions to this are a number of decentralised operations, predominantly public but also private sector where 'back-of-house' services have relocated to Sheffield to take advantage of the low cost base in respect of property and labour. The most prominent examples of this are HSBC and the Department for Work and Pensions. The commercial and industrial property market in Sheffield is a reflection of the above.

4.4 Discussions with local agents identified that Sheffield's attraction to industrial and service sector occupiers is characterised by a range of factors, including:

- Its central geographical location in relation to the UK as a whole;
- Access to a substantial labour force which, over many generations, has built up a world-renowned engineering and manufacturing skills base;
- A strong network of engineering and manufacturing businesses, underpinned by a supply chain and a variety of business support organisations;
- An affordable and loyal workforce, the latter partly a function of necessity following the decline of labour input requirements of the traditional industries;
- Good access to relatively uncongested road and rail infrastructure, with further enhancements proposed;
- Sheffield University and Sheffield Hallam University; and
- High quality amenity value of the city centre, suburbs and countryside, contributing to a good quality of life for residents.

4.5 In contrast, the following were identified by local agents as unattractive aspects of Sheffield's 'offer':

- Topography, which limits the supply of large, flat accessible sites;
- The high remediation costs associated with the city's brownfield development opportunities; and
- Low property values and yields, which suppress the speculative development of office space in particular.

Overview – Rotherham

4.6 In comparison with Sheffield, the commercial property market in Rotherham is characterised by a far greater emphasis on industrial activity, with a particular strength in respect of advanced engineering.

4.7 Rotherham is perceived by the market as containing a considerably smaller professional service base than Sheffield with fewer high level skills in the financial and business services sector. Demand for office premises is largely characterised by a locally based accountants and solicitors servicing a primarily indigenous market, whilst this is supplemented by some larger call centre-type operations.

4.8 Discussions with local agents identified the following key attractions of Rotherham to industry, the service sector and the internal market include:

- Excellent access to the strategic road network – with access being perceived as superior to Sheffield due to the proximity to the M1, M18 and A1(M);
- Developments such as the Advanced Manufacturing Park and the Advanced Manufacturing Research Centre are considered to have established Rotherham as 'the location of choice' in relation to advanced manufacturing;
- The area's reputation in the advanced manufacturing sector is supported by an abundant and relatively inexpensive supply of local labour, as well as an established network of supply chain businesses and business support organisations;
- The availability of comparatively cheap land for commercial development; and
- Good quality of life supported by the surrounding countryside.

4.9 In contrast, the following were identified by local agents as unattractive aspects of Rotherham's 'offer':

- An emerging shortage of some specialist engineering skills;
- Broadband connectivity in parts of the Borough can be an issue and Rotherham is generally viewed as being less well served by broadband infrastructure than other locations served by the M1 and A1(M);

- For many office-occupiers, Rotherham is perceived to be a less desirable location than Sheffield; and
- Low property values and yields, which make speculative development difficult to achieve.

Office Market

- 4.10 Sheffield is widely regarded as the principal office market within South Yorkshire and this is reflected in the scale of provision, as considered in Section 5.0. The offer in Sheffield is, however, supplemented by the town centres of Rotherham, Barnsley and Doncaster – in addition to a number of successful out-of-town developments with ready access to the regional motorway network.
- 4.11 Within Sheffield City Centre, the office stock can be subdivided into three general typologies:
- Traditional offices built in the 20th Century: in locations such as the Cathedral Quarter, stock of this nature generally meets the modest churn requirements of Sheffield-based professional practices serving a local client base;
 - 1960's and 1970's office stock: many of the larger office buildings from this period have been refurbished over the last 10-15 years. This activity has served to maintain – rather than improve – occupancy and rental levels; and
 - Office buildings constructed post-2000: including developments such as Digital Campus and St Paul's Place have typically been delivered with the support of public funds and have generally been let, although in some instances this has been achieved with significant incentives.
- 4.12 Despite recent developments such as RMBC's new civic offices on the former Guest and Chrimes site, the stock of office space in Rotherham town centre is characterised by a high proportion of 1960s office buildings and converted Victorian residential housing. Office occupiers in the town centre can generally be characterised as small-scale financial and professional services firms serving a predominantly local market.
- 4.13 The provision of more modern office space in Rotherham is largely focussed between Junctions 33 and 34 of the M1 motorway. The area generally provides pavilion style accommodation on low density, small business parks, with units ranging in size from 1,000sq.ft to 10,000sq.ft. Key examples of such provision include Fullerton Court and Phoenix Riverside, both of which are located within 1.5 miles of Junction 34 of the M1. It is understood, however, from discussions with agents that demand at Fullerton Court and Phoenix Riverside has been relatively slow, with a number of vacant units remaining.
- 4.14 In addition, the Dearne Valley is home to a number of prominent office occupiers – with a focus on call centre operations and back office functions –

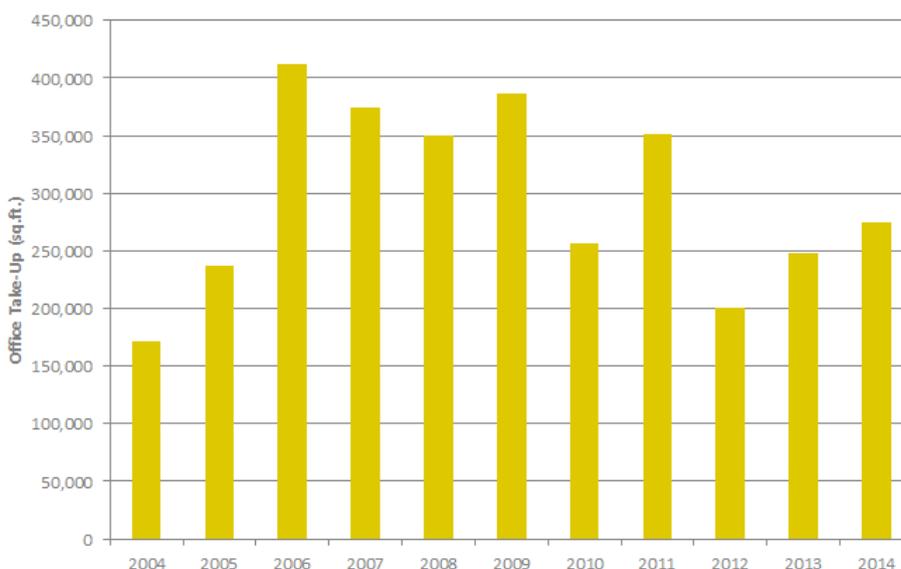
including RBS, E-ON and Capita. The latter is the Borough’s largest private sector employer with 5,000 staff.

Current Demand

Sheffield

- 4.15 Take-up of office space in Sheffield is understood to have been in the order of 275,000sq.ft for 2014 – up from 250,00sq.ft in 2013 and 200,000sq.ft in 2012 and representing two consecutive years of growth²⁴. It is understood that this upturn in performance has continued into 2015, with take-up of 306,000sq.ft recorded in the first two quarters, placing Sheffield on course for a record year in terms of office activity²⁵.
- 4.16 It is understood that Grade A space accounted for 40% of office take-up in Sheffield during the second half of 2014, with Grade B space accounting for 55%²⁶. This represents a continuation of activity observed in 2013, when the demand profile was also dominated by Grade A and B space²⁷.

Figure 4.1 Office Take-Up for Sheffield (City Centre and Out of Centre) (sqft)



Source: Knight Frank/NLP Analysis

- 4.17 Agency input into the study has indicated that, in recent years, the majority of occupier activity in the office market has been focused on four districts of the city (listed in order of the scale of demand)²⁸:

²⁴ Data provided by Knight Frank

²⁵ Sheffield Offices Market Update, H1 2015, Knight Frank

²⁶ Sheffield Offices Market Update, H2 2014, Knight Frank

²⁷ Sheffield Office Stock Study, 2013, Knight Frank

²⁸ Sheffield Office Stock Study, 2013, Knight Frank

- Heart of the City – characterised by prestige office accommodation such as St Paul’s Place, which is occupied by professional, financial and legal services firms including DLA Solicitors, The Royal Bank of Scotland and Barclays Bank, as well as public sector occupiers including the Department for Business, Innovation and Skills;
- Cathedral Quarter – traditionally occupied by indigenous professional services firms, this area is characterised by older, poorer quality stock. In 2013²⁹ it was estimated that just 3.4% of the area’s office stock was categorised as Grade A, with high concentrations of Grade B and Grade C space;
- Sheaf Valley – a focus for digital, creative and knowledge-based industries, the area has benefited from the addition of new Grade A office space at Digital Campus (situated adjacent to the mainline railway station) in recent years. In addition, the redevelopment of Park Hill, providing office units of 5,000 to 20,000sq.ft has also added to the area’s supply of modern, fit for purpose office space;
- St Georges – identified by SCC as a focus for growth in knowledge-based industries, underpinned by the prominence of the University of Sheffield within the area.

4.18 In addition to the above, discussions with SCC officers highlighted the importance of the Cultural Industries Quarter (CIQ) and the Riverside Business District in meeting demand from office occupiers. The CIQ is situated on the edge of the City Centre and a recognised location for businesses operating in the culture, science and technology sectors. The Riverside Business District lies in the northern part of Sheffield City Centre, a short walk away from the Heart of the City, and comprises of land on the banks of the River Don. The area includes a number of popular office schemes, including Castlegate, Riverside Exchange, North Bank and Victoria Quays.

4.19 During the second half of 2014, the demand for office space in Sheffield was dominated by the finance/banking/insurance sector, which accounted for 61% of total take-up. Strong demand was also observed from the Pharmaceutical/Healthcare (30% of take-up) and Telecommunications, Media and Technology (25% of take-up) sectors³⁰. This sectoral focus is reflected in a summary of the major deals completed during 2014, which included:

- 20,700sq.ft. for Servelec – a health technology company – at The Straddle (Riverside Business District);
- XLN Communications taking 14,500sq.ft of space at Northbank (Riverside Business District);
- The establishment of a European HQ and contact centre for health assessment by Instant Offices in 11,000sqft at Northbank (Riverside Business District); and

²⁹ Sheffield Office Stock Study, 2013, Knight Frank

³⁰ Sheffield Offices Market Update, H2 2014, Knight Frank

- PwC moving into 7,000sqft at No.1 St Paul's Place (Heart of the City) – with the deal achieving a city-high rental level of £21 per sq.ft.

Rotherham

- 4.20 Discussions with commercial agents and key stakeholders have indicated that, overall, demand for office premises in Rotherham is generally not high, with take-up on schemes often slow at present. Demand is generally for smaller scale premises.
- 4.21 The latter point is reinforced through an analysis of monitoring data provided to NLP by RIDO³¹ which includes details of all office enquiries dealt with during the 12 months to May 2015. This shows that of the 80 enquiries recorded; more than 40% were for premises of less than 1,000sq.ft, with a further 20% of enquiries focusing on office premises of up to 2,000sq.ft.
- 4.22 The monitoring data also indicated that demand for premises is particularly strong in locations in the north and west of Rotherham, as well as in and around the town centre. Again, this would appear to correspond with the intelligence gathered through interviews with commercial agents and economic development stakeholders active in the area, which indicated office demand is focussed in:
- Dearne Valley: with a particular emphasis on call centre operations and financial and professional services. Units in the area typically provide space on a larger floorplate than elsewhere in Rotherham and offer on-site car parking;
 - Rotherham Town Centre: with demand driven by local professional services firms. The town centre is not considered by agents and other stakeholders to contain any discernible office quadrant(s) or any key locations characterised by the clustering of particular office-based sectors;
 - Moorgate Crofts (southern Town Centre) and Dinnington: identified as locations of choice for SMEs operating in the creative industries and other high growth office-based sectors.

Rental Levels

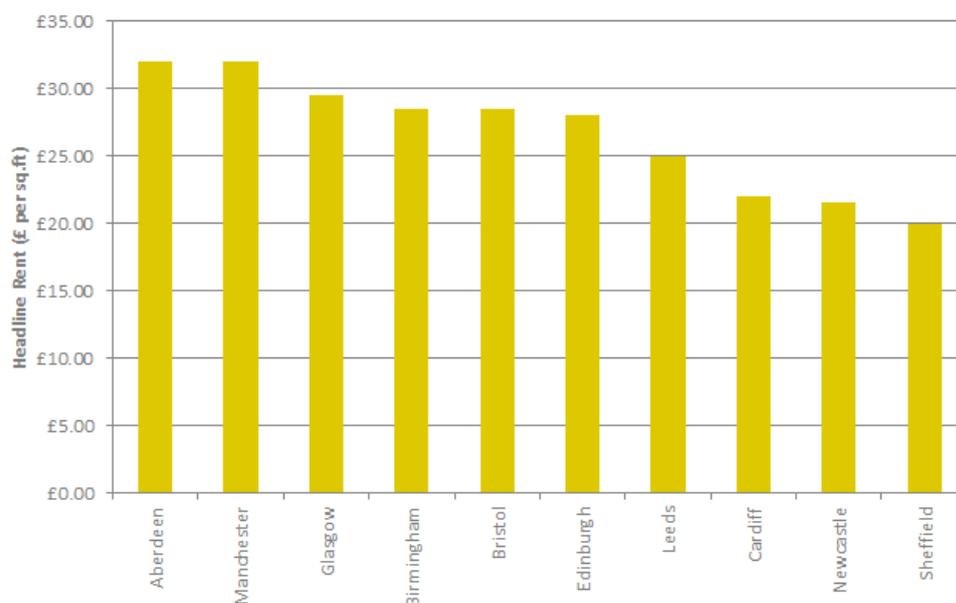
Sheffield

- 4.23 Prime rents for office space in Sheffield City Centre achieved a headline of £20.00 per sq.ft. in 2014. Grade A office space in Sheffield is cheaper than all of the major cities shown in Figure 4.2. It is, however, understood from published earlier research³² that space in Liverpool – omitted from the analysis below – has historically achieved lower rents than Sheffield.

³¹ Rotherham Investment & Development Office

³² Knight Frank Global Office Rents ROMP Q1 2011

Figure 4.2 Headline Office Rents for Major UK Cities



Source: Knight Frank Regional Office Market Portal (Q4 2014) / NLP Analysis

- 4.24 It can be seen from Figure 4.2 that headline rents in Sheffield lag behind Leeds (£25 per sq.ft.), although perhaps not to the extent that might be expected, given Leeds' position as one of the major commercial centres in the North of England.
- 4.25 As with the office market in other major centres, Sheffield's headline rents may be artificially inflated as a result of generous 'rent free' periods and other incentives. Research by Knight Frank³³ indicates that demand and market sentiment in Sheffield is steadily improving, however, following the volatility of the post-recession period. Take up of office space has improved for two consecutive years, whilst investment volumes in the city for 2014 were up 15% on the previous year – a fourth consecutive annual increase.
- 4.26 Commentary by Knight Frank suggests that increased levels of take-up and a lack of new forthcoming developments in Sheffield could give rise to a diminishing availability of Grade A stock. This, in turn, could create upward pressure on prime headline rents, which are expected to rise to £22 per sq.ft. in 2015. Indeed, Property Magazine International reported in September 2015 that a deal for 16,000sq.ft. of space at No.3 St Paul's had been agreed at £23/sq.ft. setting a new record for office rents in the city.
- 4.27 It is suggested that this could provide the right signals for developers looking to satisfy market requirements. In the meantime, however, Knight Frank indicate that the market will be looking closely at the development of No.3 St Paul's which is currently under construction.

³³ Sheffield Offices Update, H2 2014, Knight Frank

Rotherham

4.28 No publically available research that provides a directly comparable figure for 2014 headline rents in Rotherham is available. Nevertheless, it is possible to use earlier analysis to understand the Borough's position within the context of the South Yorkshire market. Table 4.1 provides a summary of prime headline office rents in South Yorkshire for Q4 of 2010. From this it can be seen that Sheffield City Centre is the most desirable office location in South Yorkshire, commanding rental levels of £20 per sq.ft. in 2010 – 33% higher than the next most expensive location (Barnsley).

4.29 Rental levels achieved in Rotherham in 2010 were, at £12.50 per sq.ft., comparable with out-of-town space in Sheffield, but below the levels recorded in Doncaster, Barnsley and Sheffield City Centre. Discussions with agents and other key stakeholders, such as RIDO, confirmed that these figures remain broadly accurate with respect to Rotherham – as does the hierarchy of demand across South Yorkshire implied by the table. Indeed, it was reported that rents of £12.50 per sq.ft. are being achieved at locations such as Phoenix Riverside and Fullerton Court.

Table 4.1 Prime Headline Office Rents in South Yorkshire (Q4 2010)

Location	£psf
Sheffield City Centre	£20.00
Barnsley	£15.00
Doncaster	£14.00
Rotherham	£12.50
Sheffield out-of-town	£12.50

Source: 2011 Sheffield Market Activity Report, Knight Frank

Industrial Market

4.30 Sheffield has a strong industrial property market, with demand observed for old and new premises across a range of sizes. The city's traditional industrial areas follow the valley floors, with the key locations summarised below:

- **Sheaf Valley:** continues to provide space and be attractive to small scale industry, where proximity to and convenience for the local workforce are of greater importance than access to the strategic road network. Much of the space in the Sheaf Valley is old but it is understood that it remains sufficiently adaptable to meet the needs of the market;
- **Lower Don Valley:** provides a focus for demand from traditional industrial users and logistics firms. Demand in the area is strong and, set against this context, discussions with agents and stakeholders indicated that the supply of land and premises in the area is considered to be tight;

- **Upper Don Valley:** the area is more topographically challenged than the Lower Don and a number of sites in the area are compromised by difficulties in relation to localised access. However, the ‘tucked away’ nature of some sites, coupled with good accessibility to the strategic road network mean that the area remains attractive (and well suited) to some of the ‘dirtier’ industrial occupiers; and
- **Outlying areas:** including locations such as Mosborough/Woodhouse/Woodside, Ecclesfield and Chapeltown and Deepcar and Stocksbridge.

4.31

The industrial property market is also strong within Rotherham, with demand being driven by advanced manufacturing and retail logistics operations.

- **J33 of the M1:** provision is focused on the AMP – an Enterprise Zone site which has established itself as a national location of choice for advanced engineering and manufacturing firms. The AMP provides property for businesses of all sizes, with start-up space at the Technology Centre, move-on accommodation provided at Evolution@Amp and design and build solutions available for larger occupiers;
- **J34 of the M1:** a significant concentration of Rotherham’s industrial estates are located in close proximity to J34, in a swathe of land running from Templeborough to Aldwarke. The area is generally characterised by traditional manufacturing and logistics occupiers;
- **Dearne Valley:** locations such as Brookfield Park and Century Business Park provide relatively modern, good quality industrial space. It is understood from discussions with local agents and stakeholders that the occupiers generally comprise of manufacturing and logistics businesses;
- **Dinnington:** there are a number of industrial estates in the Dinnington area providing premises of variable age and quality. The area is occupied by a combination of manufacturing and logistics occupiers; and
- **Maltby/Bramley:** provision in the area is largely focused within the Hellaby Industrial Estate. The estate’s excellent accessibility to the M1 and A1(M) is reflected in the concentration of logistics occupiers, whilst a large number of manufacturers are also present in the area.

Current Demand

4.32

Research by Knight Frank³⁴ indicates that take-up of industrial and warehousing space across South Yorkshire was strong in the first half of 2014 (nearly double that of the same period in 2013) reflecting improving economic fundamentals. Take-up in the second half of the year, however, was down on both the first half of 2014 and the corresponding period of 2013. It is understood that this was influenced primarily by the limited availability of stock – with much of the quality standing stock having been absorbed – rather a fall in demand.

³⁴ South Yorkshire Logistics and Industrial Commentary, H1 2014 and H2 2014, Knight Frank

4.33 Indeed, occupier confidence continues to improve across all size ranges, with particularly strong demand being observed in the manufacturing sector (typically for small to medium sized units of up to 100,000 sq.ft.). The Knight Frank research indicates that strong occupier interest across South Yorkshire is evident from the advanced manufacturing sector, as demonstrated by the response to recent speculative development at R-Evolution in Rotherham.

4.34 The current shortage of supply is allowing landlords to secure longer lease terms and shorter incentive packages. Whilst some speculative development has come forward recently (including R-Evolution and some smaller stock (below 20,000 sq.ft.) at Vantage Park, Sheffield) a significant developer response is yet to be observed. As a consequence, and with take-up expected to continue to strengthen moving forwards, Knight Frank expect to see:

- An increase in prime headline rents across most submarkets;
- Incentives move in further throughout the duration of 2015.

Sheffield

4.35 It is understood from discussions with commercial agents that high demand has recently been observed for premises in the Lower Don Valley, although there is a risk that the appetite for space in the area could be constrained by a lack of choice in respect of available sites. In part, it is understood that this demand is being driven by spin off demand from AMP for space on sites such as the Sheffield Business Park.

4.36 The £43 million Factory 2050 – the UK’s first fully reconfigurable assembly and component manufacturing facility for collaborative research – is currently under construction, with the aspiration that it will anchor a new wave of advanced manufacturing development on Sheffield Business Park³⁵. The University of Sheffield and Boeing are both playing a key role in the development of Factory 2050. It is understood from SCC Officers that the scheme is considered to represent a key step towards the development of the City Region’s recently announced Advanced Manufacturing Innovation District – a combination of research institutions, innovative firms and business incubators.

4.37 In addition, a number of large scale distribution premises in the city have been taken up in recent years, including Marks and Spencer occupying 627,000sq.ft at SIRFT³⁶ (Europa Link) in early 2014 and Great Bear Distribution taking 412,500sq.ft at Shepcote Lane. This has significantly reduced the supply of ‘super sheds’ in Sheffield.

Rotherham

4.38 Strong levels of demand have recently been observed – as evidenced by large numbers of inward investment inquiries – at AMP for both high quality advanced manufacturing and r&d facilities. Commercial agents estimated that

³⁵ <http://www.amrc.co.uk/about/facilities/>

³⁶ Sheffield International Rail Freight Terminal

a greater proportion of the site could have been built out to date with a more relaxed sectoral focus, although it could be argued that such an approach could – in time – dilute the appeal of the site.

- 4.39 Discussions with commercial agents and other key economic stakeholders also highlighted strong demand for retail logistics premises within Rotherham. The appeal of the area in this regard is evidenced by previous investments by Next (at Brookfields Park), as well as third party logistics firms such as Parcel Force (at Templeborough). Agents highlighted a concern regarding a tightening of availability in the ‘super shed’ market, indicating that current supply in Rotherham is anticipated to be sufficient to meet just 18 months of demand, whilst speculative development of such premises remains challenging.

Rental Levels

- 4.40 Headline rents for industrial and warehousing property in South Yorkshire are summarised in Table 4.2. The figures shown relate to Q4 2014. Encouragingly, research³⁷ suggests that rents across South Yorkshire are anticipated to rise over the period to Q4 2015.
- 4.41 From the data contained within the table it can be seen that there is little to choose between Sheffield and Rotherham in respect of the rents recorded on small and medium-sized premises. In Q4 of 2014, both authorities achieved an average of £5.50 per sq.ft. on small properties and £5.25 per sq.ft. on medium-sized properties.
- 4.42 Turning to large industrial units, however, the rental levels achieved in Sheffield (at £4.75 per sq.ft) are generally above those observed in Rotherham (at £4.50 per sq.ft.), although clearly the scale of difference is relatively modest. Furthermore, discussions with agents indicated that values being achieved on units at AMP exceed this, reflecting the popularity of the location. It was estimated that large industrial units on the estate were commanding rents of approximately £6.75 per sq.ft.

Table 4.2 Prime Headline Rents - Industrial and Warehousing Premises (Q4 2014)

	Small Industrial/ Warehousing Unit (£psf)	Medium Industrial/ Warehousing Unit (£psf)	Large Industrial/ Warehousing Unit (£psf)
Sheffield	£5.50	£5.25	£4.75
Rotherham	£5.50	£5.25	£4.50
Barnsley	£5.00	£4.75	£4.50
Doncaster	£5.00	£4.75	£4.50

Source: South Yorkshire Logistics and Industrial Commentary, H2 2014 Review, Knight Frank

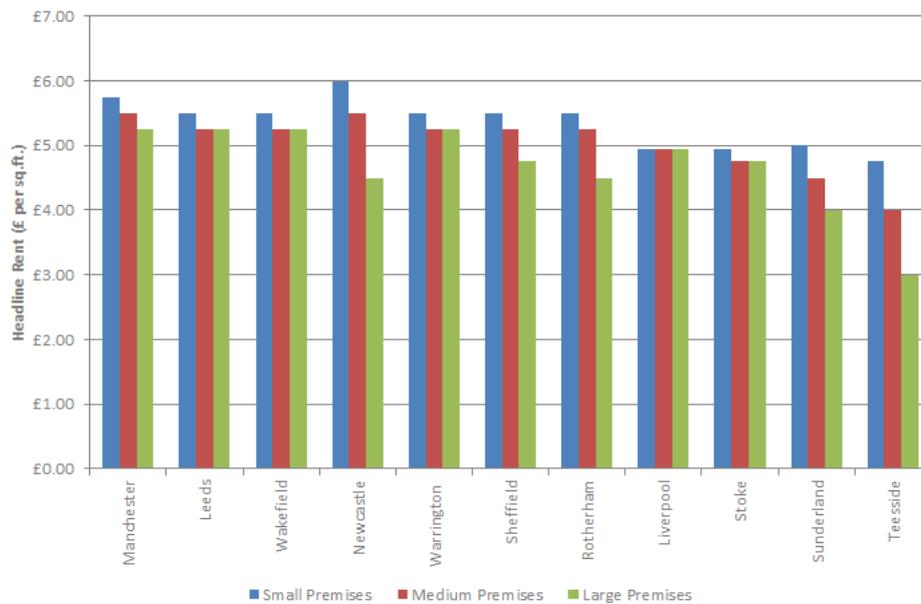
³⁷ South Yorkshire Logistics and Industrial Commentary, H2 2014 Review, Knight Frank

4.43 What can also be seen from the table is the strong performance of Sheffield and Rotherham within the South Yorkshire context. Headline rents in Sheffield exceed those being achieved in Barnsley and Doncaster across all three size bands, whilst rents in Rotherham are higher in respect of small and medium-sized properties and broadly comparable in relation to larger units. This indicates that demand for industrial and warehousing units in Sheffield and Rotherham is stronger than elsewhere in South Yorkshire.

4.44 Figure 4.3 considers the data presented above within the context of the North of England. This would suggest – on the basis of rents being achieved – that demand for small and medium-sized premises in Sheffield and Rotherham is comparable to that observed in locations such as Leeds, Wakefield and Warrington. Demand for larger premises does; however, appear to be weaker within the study area.

4.45 In addition, it can be seen that levels of demand in Sheffield and Rotherham would appear to be stronger – across all property sizes – than locations such as Liverpool, Stoke, Sunderland and Teesside.

Figure 4.3 Headline Rents for Industrial and Warehousing Premises (Q4 2014)



Source: Knight Frank Logistics and Industrial Commentary H2 2014 Review / NLP Analysis

Conclusions

4.46 Although Sheffield is regarded as an industrial city – rather than a commercial one – it is nevertheless acknowledged as the principal office location within South Yorkshire. In recent years, demand has focussed on four key locations within the City Centre: Heart of the City; Cathedral Quarter; Sheaf Valley; and St Georges. Each location is characterised by occupiers from different sectors, however, in general demand has recently been driven by: finance and insurance; pharmaceuticals and healthcare; and telecoms, media and technology.

- 4.47 Take-up of office space in Sheffield has increased year on year from 2012. Whilst take-up remains below the pre-recession peak, demand and occupier confidence does appear to be returning. Commercial agents have indicated that rising demand, coupled with a lack of new development could give rise to a shortage of Grade A premises.
- 4.48 The office market in Rotherham town centre is dominated by small scale financial and professional services firms serving a local market. The stock of premises in the area is generally characterised by 1960's office buildings and converted Victorian residential properties. More modern office space can be found on business parks located between Junctions 33 and 34 of the M1. This product has generally proved popular with call centre operators and back office functions. In general, the demand for office space in Rotherham is considered to be modest in comparison to Sheffield.
- 4.49 The industrial property market in Sheffield is considered to be strong, with demand observed for old and new premises across a range of sizes. The city's traditional industrial locations follow the valley floors and include: Sheaf Valley; Lower Don Valley; Upper Don Valley; and the outlying areas of Mosborough/Woodhouse, Chapeltown/Ecclesfield and Stocksbridge/Deepear.
- 4.50 The industrial market is also considered to be strong within Rotherham, with the advanced manufacturing and retail logistics sectors driving demand. Key industrial locations within the Borough include: J33 of the M1 (AMP); J34 of the M1; Dearne Valley; Dinnington; Maltby/Bramley.
- 4.51 Take-up of industrial and warehousing space in Sheffield and Rotherham was strong in the first half of 2014 – with performance much improved on the previous year – reflecting improved economic conditions. Take-up did slow in the second half of the year. However, this is understood to be a function of limited availability rather than declining demand. Indeed, agents have indicated that occupier confidence continues to improve across all size ranges, with particularly strong demand being observed from the manufacturing sector.

5.0 The Current Stock of Employment Space

5.1 This section provides an overview of the current stock of employment space across the study area, as well as recent trends in – and changes to – supply. The amount of employment land and quantity of built employment floorspace has been considered across the three main types of employment uses (i.e. offices [B1a/b], manufacturing [B1c/B2] and warehouse and distribution [B8]). This analysis uses data from the following sources:

- Commercial floorspace data from ONS and various datasets from the Valuation Office Agency (VOA);
- Monitoring data on commercial space from SCC and RMBC;
- Estates Gazette Property Link database (EGi); and
- Published research regarding the Sheffield and South Yorkshire property markets.

Current Stock of Employment Space

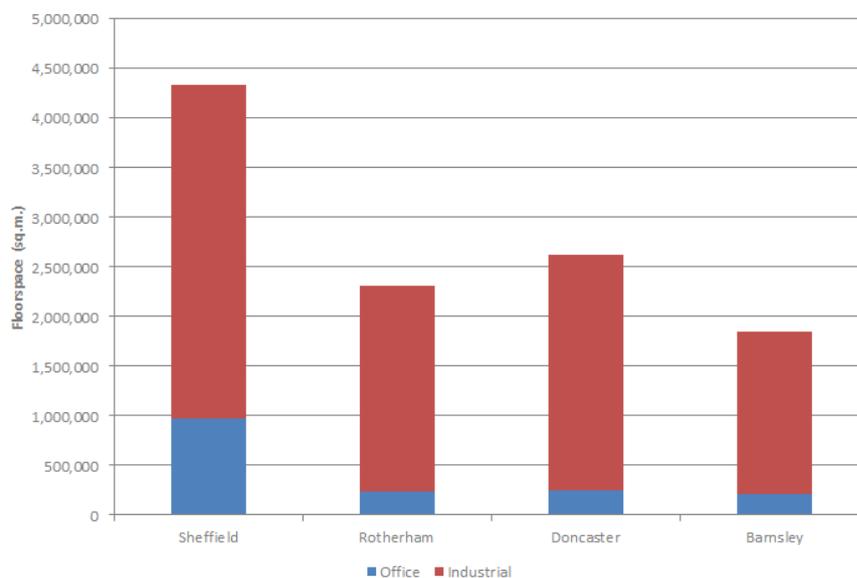
5.2 According to VOA data,³⁸ Sheffield has a total of 4.33 million sq.m. of employment floorspace, comprising of 3.36 million sq.m. of industrial floorspace and 973,000sq.m. of office. Rotherham has a total of 2.31 million sq.m. of employment floorspace, which is made up of 2.08 million sq.m of industrial floorspace and 234,000sq.m. of office.

5.3 The total amount of B class employment floorspace across South Yorkshire – by local authority – is shown in Figure 5.1. From this, it can be seen that Sheffield has significantly more employment floorspace than the other South Yorkshire authorities, with a particularly strong representative (in proportionate terms) with respect to office space. Sheffield accounts for 35% of all industrial floorspace across South Yorkshire (compared to 22% in Rotherham). In contrast, Sheffield accounts for more than half (58%) of all office floorspace in South Yorkshire, with Rotherham accounting for 14%.

5.4 The figures outlined above and summarised within Figure 5.1 demonstrate the prominence of Sheffield within South Yorkshire and in particular the significance of Sheffield to the South Yorkshire office market.

³⁸ VOA Business Floorspace (Experimental Statistics) May 2012

Figure 5.1 Total Employment Floorspace



Source: VOA, 2012

5.5 Sheffield has a greater stock of floorspace overall (as demonstrated above) and a far higher supply of office space relative to population (1,737sq.m. per 1,000 of the population) than that of the other South Yorkshire authorities. However, the City actually has a comparatively modest amount of industrial and total floorspace relative to population. Indeed, with 7,734sq.m. per 1,000 residents, Sheffield has the lowest total floorspace:population ratio of the four authorities considered.

5.6 In contrast, Rotherham has the greatest supply of industrial floorspace relative to population with 8,040sq.m. of space per 1,000 residents. This demonstrates the important role played by Rotherham in industrial property market within South Yorkshire. The Borough also has the greatest total floorspace:population ratio of the four authorities considered, with 8,945sq.m. per 1,000 residents.

Table 5.1 Employment Floorspace per 1,000 Population

	Office Floorspace	Industrial Floorspace	Total Floorspace
Rotherham	905sq.m.	8,040sq.m.	8,945sq.m.
Doncaster	833sq.m.	7,819sq.m.	8,653sq.m.
Barnsley	908sq.m.	6,917sq.m.	7,824sq.m.
Sheffield	1,737sq.m.	5,997sq.m.	7,734sq.m.

Source: VOA/ONS/NLP Analysis

5.7 Historic VOA floorspace data shows that Sheffield experienced a modest 22,000sq.m. reduction in the total amount of floorspace over the period 2000 to 2012, equivalent to 0.5% contraction. This overall loss is made up of a 37% increase in the amount of office floorspace stock (262,000sq.m.) and an 8% reduction (284,000sq.m.) in industrial floorspace. Sheffield was the only authority in South Yorkshire to experience a reduction in total floorspace over

this time period, with the data reflecting a rebalancing of the stock towards office uses.

- 5.8 As set out above, the VOA data available from ONS covers the period to 2012. More recently, an analysis of take-up up data from SCC (Table 5.5) indicates that no new office floorspace was developed in 2013 or 2014. In addition some space in the City has been lost as a result of the Permitted Development Rights for the conversion of offices to residential. Monitoring schedules provided by SCC indicate that there have been 59 Permitted Development Rights applications received in the last 2 years for a total of 1,416 residential units. Of these, 48 have applications (with the potential to deliver 1,236 residential units) have been granted or did not require Prior Approval.
- 5.9 In addition, it is understood from SCC that, between late 2013 and October 2015, ten office to residential conversions in the City have been completed under the Permitted Development Rights, resulting in an estimated loss of 7,600sq.m. This would see the increase in office space fall from 262,000sq.m to 254,400sq.m.
- 5.10 It is understood that an additional four office to residential conversions are currently under construction, resulting in the loss of a further 6,800sq.m.
- 5.11 The total amount of floorspace in Rotherham increased by 438,000sq.m. over the period 2000 to 2012, representing a growth rate of 23%. This is significantly higher than the corresponding increases observed across South Yorkshire, Yorkshire and Humber and England, which were recorded at 13%, 3% and 1% respectively.
- 5.12 The overall figures for Rotherham are underpinned by increases in the stock space for both office and industrial uses. Office floorspace in the Borough rose by 52,000sq.m. (a 29% increase), whilst industrial floorspace grew by 386,000sq.m.(a 23% increase). The growth in industrial space in Rotherham is particularly striking, given that the overall stock of industrial space in England declined by 3% over the same period, whilst the regional level remained broadly static (-0.2%). This demonstrates the growing importance and appeal of Rotherham to industrial occupiers that has been observed in recent years.

Age of Premises

- 5.13 Despite only covering the period to 2004, ONS data on the age of premises provides a broad indication of the quality of the current stock in Sheffield and Rotherham.

Table 5.2 Age of Employment Premises in Sheffield and Rotherham

		Pre 1940	1940-70	1971-80	1981-90	1991-00	2001-03
Sheffield	Offices	50%	19%	8%	7%	11%	3%
	Factories	47%	25%	11%	6%	9%	1%
	Warehouses	38%	24%	14%	11%	7%	3%
	All B Classes	46%	23%	11%	8%	9%	2%
Rotherham	Offices	42%	16%	6%	10%	19%	3%
	Factories	26%	21%	13%	24%	16%	1%
	Warehouses	23%	27%	10%	24%	13%	1%
	All B Classes	30%	21%	10%	19%	16%	2%
	Regional Avege.	47%	19%	8%	12%	10%	3%

Source: VOA, 2004

- 5.14 Table 5.2 shows that the proportion of premises in Sheffield built before 1981 (80%) is higher than the regional average (74%). The corresponding figure for Rotherham is – at 61% - significantly lower than both figures, indicating a far lower proportion of old stock within the Borough.
- 5.15 An analysis of stock by type shows that 83% of factories in Sheffield were developed before 1981, making the stock of such premises relatively dated in comparison with local office (77%) and warehousing (76%) provision. In Rotherham, it is the office stock that is most dated, although the scale of difference between the use classes with respect to age is more modest than in Sheffield. 64% of office premises were developed before 1981, compared to 61% of warehousing premises and 60% of factories.
- 5.16 As discussed elsewhere in this section, however, 22ha of land for office premises has been developed in Sheffield since 2003 – in addition to 100,000sq.m of space in Rotherham – adding to the stock of modern premises. In addition 46ha of warehousing and 42ha of general/light industrial development has been brought forward in Sheffield since 2003 – with a further 190,000sq.m and 262,000sq.m respectively delivered in Rotherham – also adding to the stock of modern premises across the study area.

Vacancy Rates

Sheffield

- 5.17 A review of commercial property being marketed in May 2015³⁹ identified c.139,000sq.m. of industrial space available across the local authority area –

³⁹ EGi Property Link

equivalent to 4.1% of the city's total industrial stock. This is significantly lower than the 'ideal' rate that might be expected under 'normal' market conditions (i.e. around 10%) in order to provide a reasonable level of available space to enable to relocation and expansion of firms.

- 5.18 This reflects the broad conclusions of recent commercial property market commentary pieces, which indicate the existence of a shortage of modern industrial space (across all size ranges) throughout much of South Yorkshire, with much of the good quality standing stock having been absorbed in recent years⁴⁰.
- 5.19 A review of commercial property being marketed in May 2015 also identified c.204,000sq.m. of vacant office space within Sheffield – corresponding to a vacancy rate of 20.9%. This is broadly in alignment with a vacancy rate of 20.25% derived by the Sheffield Office Stock Study (although the latter figure is understood to relate exclusively to city centre premises).⁴¹
- 5.20 It is understood that Grade A office accommodation accounts for just 23,200sq.m of vacant space across Sheffield (250,000sq.ft.⁴²) – or 11% of available stock. Recent analysis has highlighted the issue of the city's diminishing availability of Grade A stock, within the context of the continued increase in demand, with commentators suggesting that this could create upward pressure on prime headline rents in Sheffield.⁴³

Rotherham

- 5.21 Data compiled and analysed by RMBC⁴⁴ indicates that 10.9% of the Borough's stock of employment floorspace was vacant in 2014. This figure is broadly in line with the 10% benchmark referred to above, although it is noted that a tightening of availability has been observed during the last five years, with the Borough's vacancy rate falling from 13.8% in 2009.
- 5.22 RMBC's analysis of vacant floorspace does not disaggregate between office and industrial uses. However, it is understood from discussions with Council officers that there is very little office space available within the Borough, with much of the office space that is available comprising of older stock either in town centre premises or ancillary to existing industrial premises.
- 5.23 The data published by RMBC appears to suggest that the long-term vacancy of some properties in Rotherham is an issue, with 44% of all unoccupied floorspace in 2014 having been vacant for more than four years. This would suggest that more than two-fifths of the Borough's vacant space is proving difficult to re-let.

⁴⁰ South Yorkshire Logistics and Industrial Commentary (H1 2014 and H2 2014 Reviews) Knight Frank

⁴¹ Sheffield Office Stock Study (2013) Knight Frank

⁴² Regional Office Market Portal (Q4, 2014) Knight Frank

⁴³ Sheffield Offices Market Update (H2, 2014) Knight Frank

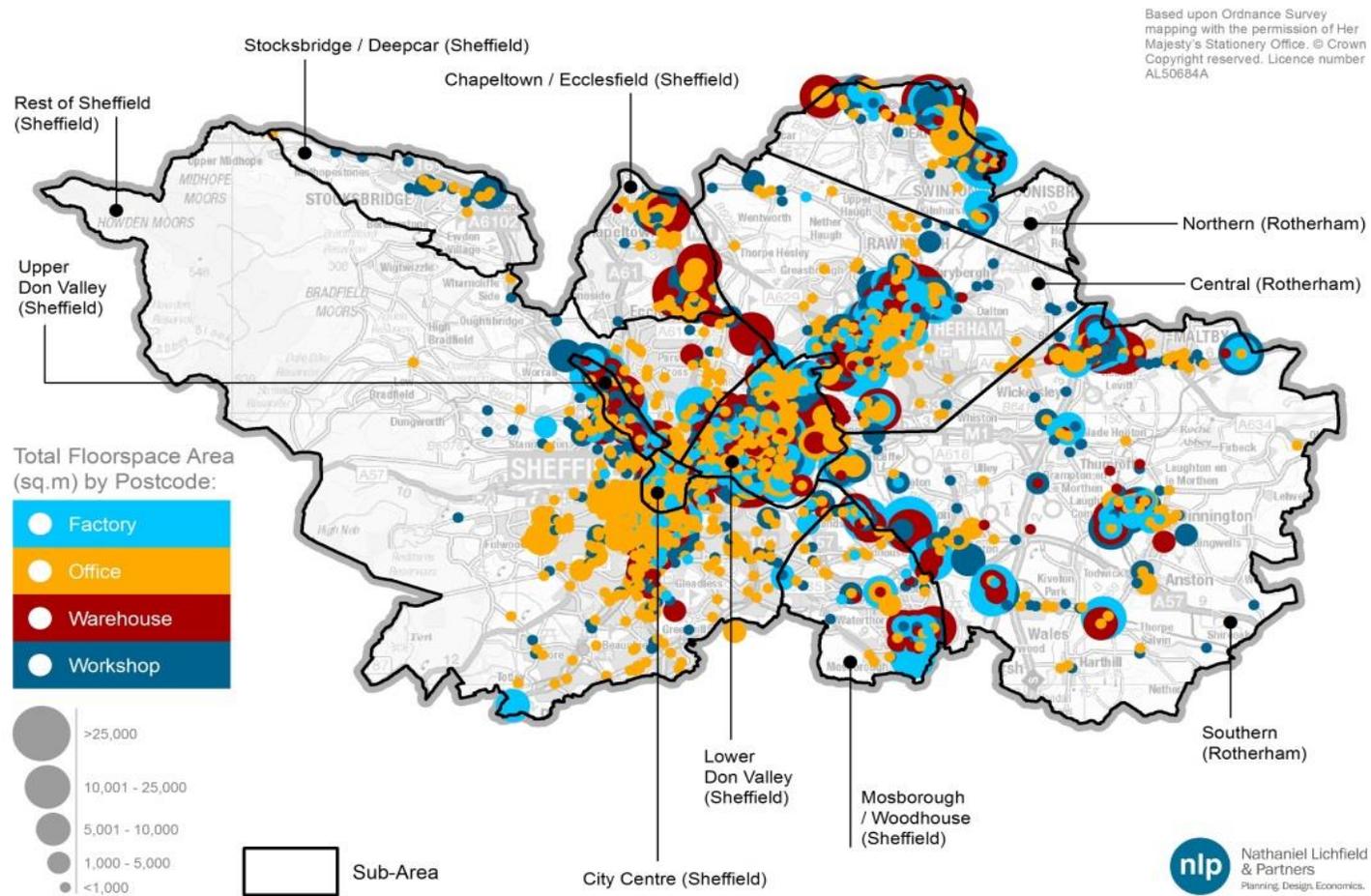
⁴⁴ Industrial Land and Floorspace in Rotherham Position Statement (2014), RMBC

Spatial Distribution

5.24

The following paragraphs consider the spatial distribution of employment space within the study area, with summary analysis presented in Figure 5.2, as well as Tables 5.3 and 5.4. Analysis relating to Sheffield has been considered on the basis of 6 sub-areas, which reflect those identified within the Pre-Submission City Policies and Sites DPD (2013). Analysis relating to Rotherham is presented on the basis of the 3 broad character areas, which are used by RMBC for the purposes of monitoring employment land data.

Figure 5.2 Spatial Distribution of Employment Floorspace



Source: Source:VOA / NLP analysis

Sheffield

5.25

The main existing employment areas within Sheffield are:

- **Sheffield City Centre** – this area represents the key focus for new large scale and high density office development. Through the Sheffield City Centre Masterplan (2013), SCC has identified a series of business districts, with each providing a distinct and complementary offer with respect to office premises:
 - *Central & Sheaf Business District* – Grade A and prestige office accommodation;
 - *Riverside Business District* – large floorplate premises primarily targeted at legal and professional services firms;
 - *Cathedral Quarter* – smaller scale office premises primarily targeted at legal and professional services firms; and
 - *Sheaf Valley & Cultural Industries Quarter* – digital, creative and knowledge-based industries.
- **Upper Don Valley** – comprises the area within Sheffield where metal manufacturing activities are traditionally located;
- **Lower Don Valley** – traditionally the city's other key industrial location, now increasingly characterised by the high technology manufacturing and knowledge-based industries that are intended to be a focus for the area moving forwards. Established out-of-centre office locations such as Meadowhall and Tinsley Park are also located in the area;
- **Other outlying areas** – including: Mosborough/Woodside/Woodhouse; Chapeltown/Ecclesfield; and Stocksbridge/Deepcar, as well as the M1 corridor and other key transport interchanges.

5.26

In addition to the above, it should be noted that SCC, RMBC and The University of Sheffield are working together to promote the Advanced Manufacturing Innovation District. Building upon the success of the AMP and the local concentration of globally recognised, high value, manufacturing and engineering firms, it is understood that the District will focus on an 'innovation triangle' connecting the Advanced Manufacturing Research Centre and the wider AMP in Rotherham with businesses in the Don Valley and Sheffield City Centre.

5.27

Figure 5.2 and Table 5.3 show the spatial distribution of B class employment space across Sheffield using the latest available VOA data. From this it can be seen that the city's stock of commercial office floorspace is largely concentrated in three locations: the City Centre (50.8%); the Lower Don Valley (20.7%); and those parts of the city that fall outwith the six defined sub-areas (21.2%). It is clear, however, that the City Centre, with more than 50% of all floorspace, is the dominant office location within the local authority area.

Table 5.3 Location of Employment Floorspace in Sheffield

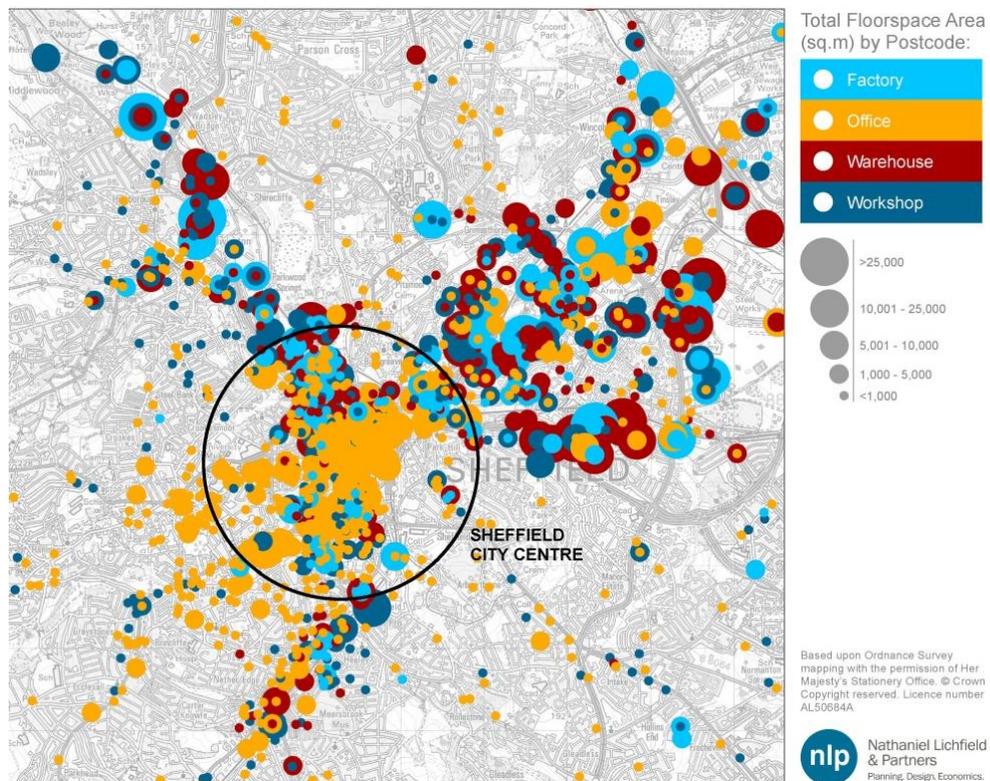
	Share of Office Space	Share of Industrial Space
Chapelton/Ecclesfield	4.2%	7.4%
City Centre	50.8%	7.0%
Lower Don Valley	20.7%	50.1%
Mosborough/Woodhouse	1.5%	10.1%
Stocksbridge/Deepcar	0.3%	0.5%
Upper Don Valley	1.2%	12.0%
Rest of Sheffield	21.2%	12.9%

Source: VOA / NLP Analysis

5.28

With respect to the provision of industrial space, both Table 5.3 and Figure 5.2 clearly demonstrate the importance of the Lower Don Valley (running north east from the City Centre) which accounts for half (50.1%) of all floorspace in Sheffield. Significant clusters of provision are also observed in the Upper Don Valley (running north west from the City Centre and accounting for 12.0% of space) and those parts of the city that fall outwith the six defined sub-areas – and in particular the corridor running south from the City Centre (12.9%).

Figure 5.3 Spatial Distribution of Floorspace, City Centre, Upper Don and Lower Don



Source: VOA / NLP Analysis

Rotherham

- 5.29 As discussed elsewhere in this report, the main existing employment areas within Rotherham are:
- Urban core running from Lower Don Valley through to Rotherham Town Centre (Central Area) – including Templeborough (J34 of M1) and Rotherham Town Centre primarily small-scale Financial and Business Service operations;
 - Dearne Valley (Northern Area);
 - Maltby/Bramley (Southern Area);
 - Dinnington (Southern Area); and
 - Waverley (Southern Area) – focused around the AMP.

5.30 Figure 5.2 and Table 5.4 show the spatial distribution of B class employment space across Rotherham using the latest available VOA data. From this it can be seen that the Borough's stock of commercial office floorspace is largely focused within Central Rotherham and, in particular, the urban core running through Templeborough and the town centre. Indeed, this area accounts for almost three fifths (57.4%) of all floorspace across the Borough.

5.31 The proportion of office space in Northern Rotherham (22.9%) and Southern Rotherham (19.7%) are broadly comparable. However, in terms of the spatial distribution within the two areas, it can be seen from Figure 5.2 that the north of the Borough is characterised by a cluster of activity focused on the Dearne Valley. In the south, the provision of space is far more dispersed, although the influence of Dinnington, Hellaby and Waverley can be still be observed from Figure 5.2.

Table 5.4 Location of Employment Floorspace in Rotherham

	Share of Office Space	Share of Industrial Space
Central Rotherham	57.4%	40.3%
Northern Rotherham	22.9%	25.7%
Southern Rotherham	19.7%	34.0%

Source: VOA / NLP

5.32 The spatial distribution of industrial space within Rotherham is more evenly balanced between the three character areas. As with the office market, Central Rotherham contains the greatest proportion of floorspace (40.3%). However, the scale of difference between Central Rotherham and both the Southern (34.0%) and Northern (25.7%) areas is much less pronounced.

Sheffield City Region Enterprise Zone

- 5.33 The Sheffield City Region Enterprise Zone (SCR EZ) was approved by Government in 2011 and in 2012 was ranked by the Financial Times FDI Magazine as the best location for business investment in the UK.
- 5.34 The vision of the SCR EZ is:
“to build on Sheffield City Region’s significant credentials and strengths in advanced manufacturing and materials to develop a Modern Manufacturing and Technology Growth Area.”
- 5.35 In order to achieve this vision, the SCR EZ will focus on attracting, securing and accelerating investment in a number of key sectors:
- Modern Manufacturing;
 - Creative and Digital Industries;
 - Healthcare Technologies; and
 - Low Carbon and Environmental Goods and Services.
- 5.36 The SCR EZ is made up of c192ha of developable land located along the M1 Motorway – the country’s main North-South corridor – and focussed around a number of the City Region’s key advanced manufacturing and related technology assets.
- 5.37 The EZ comprises of: c.42ha of land and premises eligible for Business Rates Relief (BRR) and c.150ha of land and premises eligible for Enhanced Capital Allowances (ECA). The financial benefits available can be summarised as follows:
- Business Rate Relief of up to £275,000 over a five year period for each eligible business; and
 - Enhanced Capital Allowances which allow the cost of major investment in plant and machinery to be offset against corporation tax liabilities. The SCR EZ is one of only six in England to offer ECA.
- 5.38 EZs are subject to pre-determined eligibility criteria, often related to specific target sectors (advanced manufacturing and technology sectors in the case of the SCR EZ). As a consequence, EZ sites will compete with some, but not all general employment allocations in an area. Where there is some cross-over of demand it is anticipated that – all other factors being equal – EZ sites will be viewed as being more attractive to the market, by virtue of the financial incentives on offer.
- 5.39 In total c.137ha of all developable land in the SCR EZ (71%) is located in Sheffield and Rotherham, illustrating the importance of the study area within the context of the EZ, whilst the EZ website refers to Sheffield/Rotherham as the *“centrepiece for advanced manufacturing and engineering innovation”* across the City Region and the wider Yorkshire and Humber.

Enhanced Capital Allowance Sites

5.40

The following locations are eligible for ECA, having been identified as the most suitable for major capital investment:

- Tinsley Park – Sheffield: 34ha on an existing, established business park accommodating more than 2,000 jobs.
- Smithywood Business Park – Sheffield: an 11.7ha site located to the north of the city in an area populated by a large number of companies in the healthcare sector. The site is available for design and build solutions ranging from 20,000 to 300,000 sq.ft.
- Vantage Park – Sheffield: a 2.0ha site situated adjacent to J34 of the M1, Vantage Park is being promoted by the LEP as a hybrid site capable of providing a mix of high grade industrial and/or office space.
- Advanced Manufacturing Park/Waverley – Rotherham: 47.59ha on an established business park forming part of a larger mixed-use development. The Advanced Manufacturing Park provides excellent access to J33 of the M1 and includes high profile occupiers such as Rolls-Royce and Boeing. The Park is also home to the University of Sheffield's AMRC Training Centre – providing training in the practical and academic skills being sought by leading manufacturing firms.
- Phase 2, Dinnington – Rotherham: a 16.6ha industrial development opportunity located within the established Dinnington Business Park. The site is located 2.5 miles east of J31 of the M1.
- Gladman Park – Barnsley: a 5.3ha site close to J36 of the M1, it is understood that the LEP envisage Gladman Park coming forward for developments of 50,000 to 100,000sq.ft.
- Capitol Park – Barnsley: situated at a strategic gateway site on J37 of the M1, Capitol Park offers 14.6ha of available employment land.
- Markham Vale – Chesterfield: a large business/industrial park providing direct access to the M1 via a dedicated junction (J29a) with 17.9ha of available land. The site benefits from roads and services, providing serviced development plots of up to 1 million sq.ft.

Business Rate Relief Sites

5.41

The following locations have been designated as EZ locations and are eligible for BRR:

- Europa Link – Sheffield: a 20.8ha business park, consisting of Sheffield Business Park, Tinsley Bridge and the Broomco site. Located within a country park setting, Europa Link provides access to J33 and J34 of the M1 in under 5 minutes.
- Templeborough – Rotherham: 4.73ha located on a key gateway between Sheffield and Rotherham and within 1 mile of J34 of the M1.

- Robin Hood Airport Business Park – Doncaster: offering excellent access to Doncaster Airport and easy access to the M18 via a new link road, the business park is being marketed by the LEP as ‘the international choice’ for occupiers in the area. It is understood that 12ha of developable land remains available.
- Ashroyd Business Park – Barnsley: a 4.6ha, greenfield site located 1.5 miles from J36 of the M1.
- Shortwood Business Park – Barnsley: located 1 mile from J36 of the M1, Shortwood has detailed planning consent for 10,000sq.ft and 15,000sq.ft. of high quality industrial premises. It is understood that all plots have now been fully developed and, as such, no land is available on the site at present.

Development Rates

Sheffield

- 5.42 Information regarding the development of employment land in Sheffield is collected by SCC, with data available from 1989. This is summarised in Table 5.5 and shows that take-up of employment land over the period 1989-2014 totalled **314.6ha**, comprising of: 152.1ha of B2 general industry; 81.58ha of B8 warehousing; 41.48ha of B1c light industry; and 39.4ha of B1a/b office.
- 5.43 Take-up over has averaged 12.1ha per annum over the period 1989-2014. Examining the data over the 11 year period 2004-14 (to ensure consistency with the data recorded by RMBC) indicates an average take-up rate of 9.9ha per annum. Interestingly, development activity has been particularly low during the last five years, with take-up averaging just 2.6ha per annum between 2010 and 2014. This would appear to suggest that the legacy impacts of the recession have continued to constrain the delivery of employment space in the city.
- 5.44 Encouragingly, however, development activity for the first quarter of 2015 has been far stronger than in recent years. Indeed, data from SCC indicates that 9.17ha of take-up was recorded in January, February and March alone. This could, perhaps, suggest that occupier demand and investor confidence is beginning to recover following a very slow five years. Including the 2015 data within an updated calculation of the five year average would see the figure increase to 3.0ha (assuming that no further development takes place during the calendar year).

Table 5.5 Employment Land Completions (ha)

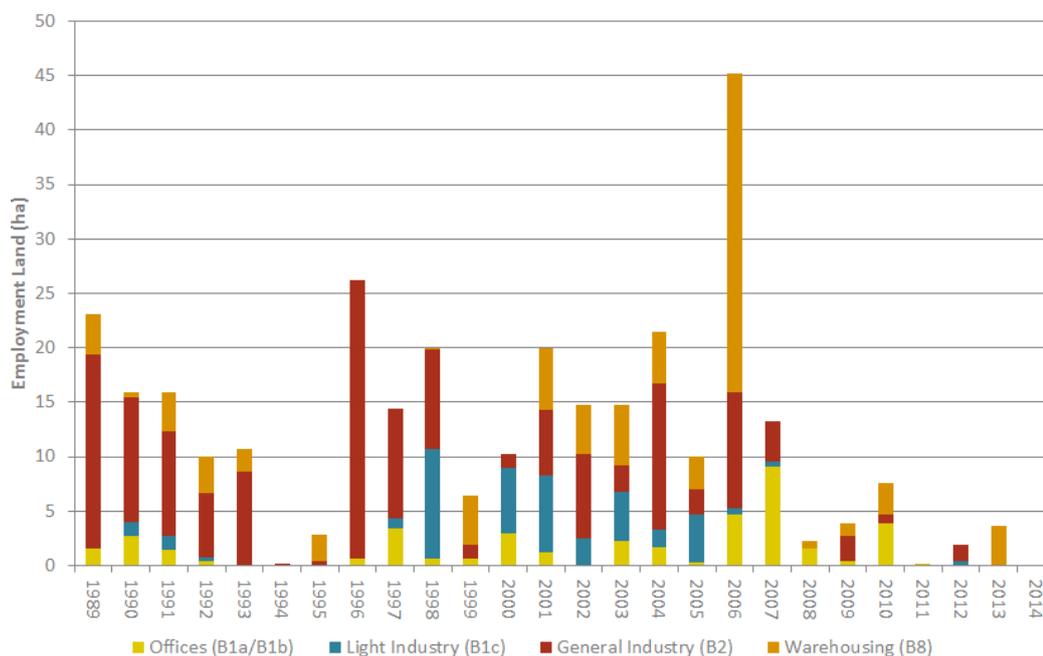
	Offices (B1a/B1b)	Light Industry (B1c)	General Industry (B2)	Warehousing (B8)	Total
1989	1.5	-	17.9	3.7	23.1
1990	2.7	1.3	11.4	0.5	15.9
1991	1.4	1.3	9.6	3.6	15.9
1992	0.4	0.3	6.0	3.3	10.0
1993	-	0.1	8.5	2.1	10.7
1994	-	-	0.2	-	0.2
1995	-	0.1	0.3	2.4	2.8
1996	0.6	-	25.6	-	26.2
1997	3.4	0.9	10.1	-	14.4
1998	0.6	10.1	9.1	0.1	19.9
1999	0.6	-	1.3	4.5	6.4
2000	2.9	6.1	1.2	-	10.2
2001	1.2	7.1	6.0	5.7	20.0
2002	-	2.5	7.7	4.6	14.8
2003	2.3	4.5	2.4	5.5	14.7
2004	1.7	1.6	13.4	4.8	21.5
2005	0.3	4.4	2.3	3.0	10.0
2006	4.7	0.5	10.7	29.3	45.2
2007	9.1	0.4	3.8	-	13.3
2008	1.5	-	-	0.8	2.3
2009	0.4	-	2.3	1.2	3.9
2010	3.9	-	0.8	2.9	7.6
2011	0.1	-	-	-	0.1
2012	0.1	0.3	1.5	-	1.9
2013	-	-	-	3.6	3.6
2014	-	-	-	-	-
Total	39.4	41.5	152.1	81.6	314.6
Average (p.a.)	1.5	1.6	5.9	3.1	12.1
2004-14 avg. (p.a.)	2.0	0.7	3.2	4.1	9.9
5 year avg. (p.a.)	0.8	0.1	0.5	1.3	2.6

Source: SCC

5.45 Figure 5.4 clearly demonstrates the significant fluctuation in development rates over the period 1989-2014 – as well as the marked reduction in activity in recent years – with take-up ranging from 0.0ha in 2014 and 0.1ha in 2011 through to 45.2ha in 2006.

5.46 The level of take-up observed in 2006 was driven – in part – by the delivery of 29.3ha of land for B8 warehousing uses. When compared with the scale of development activity observed across all other years since 1989 this appears to be uncharacteristically high. This is partly attributable to the delivery of the Sheffield International Rail Freight Terminal (SIRFT) on a c.17ha site on the former Tinsley Marshalling Sidings.

Figure 5.4 Employment Land Completions by Type



Source: SCC/NLP Analysis

5.47 It can also be seen from Figure 5.4 that rates of development for office, industrial and warehousing schemes have varied over the period 2004 to 2014. Overall, however, take-up has been strongest with respect to industrial (B1c and B2) space, as previously discussed.

Rotherham

5.48 Data regarding the development of commercial floorspace in Rotherham (as opposed to land as considered in Table 5.5 above) is monitored by RMBC. This has been provided to NLP and figures from 2004 are summarised in Table 5.6⁴⁵.

⁴⁵ Prior to 2004, RMBC’s monitoring did not distinguish between B class (employment gains) and non-B class (employment losses) development on employment sites. For this reason, 2004 has been selected by NLP as the starting point for the data analysis.

- 5.49 As the table illustrates, take-up of employment floorspace over the period 2004-2014 totalled **626,081sq.m**, comprising of 240,470sq.m of B2 general industry, 192,127sq.m of B8 warehousing, 101,261sq.m of B1a/b office and 21,345sq.m of B1c light industry. In addition, a further 70,870sq.m of space was developed between 2004 and 2007 for B1 uses, although RMBC's monitoring systems did not distinguish between office and light industrial uses during this period.
- 5.50 Total take-up of 626,081sq.m corresponds to an average annual take up of employment space (for employment uses) of 56,916sq.m over the 11 year period. In land terms, this could be assumed (on the basis of a standard plot ratio of 40%) to correspond to an average take-up rate of approximately 14.2ha per annum.
- 5.51 From the table, it can also be seen that take up rates have fallen by more than a third in the last five years, with annual rates falling to 36,174sq.m across all B use classes. This is perhaps to be expected given that this period will be influenced by the legacy impacts of the recession. Whilst the format of the data makes it difficult to assess the scale of change (between the overall and five year averages) with respect to B1a/b and B1c uses, it can be seen from the table that a noticeable decline has been observed with respect to B2 floorspace and B8 floorspace. This contraction has been particularly marked in relation to B8 floorspace.

Table 5.6 Employment Floorspace Completions (sq.m)

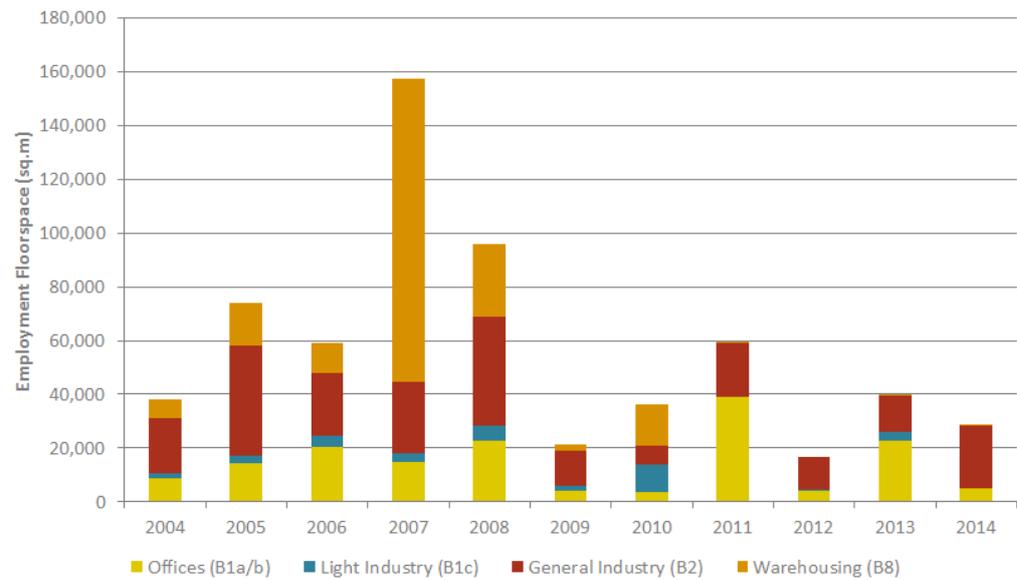
	B1	Offices (B1a/B1b)	Light Industry (B1c)	General Industry (B2)	Warehousing (B8)	Total
2004	10,801			20,401	6,769	37,971
2005	17,182			41,119	15,545	73,846
2006	24,762			23,088	11,028	58,878
2007	18,133			26,466	112,912	157,511
2008		22,530	5,610	40,609	27,083	95,832
2009		3,878	1,868	13,044	2,384	21,174
2010		3,622	10,231	7,135	15,260	36,248
2011		39,042		20,169	141	59,352
2012		4,145	365	12,062	-	16,572
2013		22,933	3,271	13,274	232	39,710
2014		5,111		23,103	773	28,987
Total		101,261	21,345	240,470	192,127	626,081
Average (p.a.)		14,466	3,049	21,861	17,466	56,916
5 year avg. (p.a.)		14,971	2,773	15,149	3,281	36,174

Source: RMBC

5.52 Fluctuations in the annual scale of employment space delivery over the period 2004 to 2014 are illustrated in Figure 5.5. This shows that rates of development have ranged from a low of 16,572sq.m (approximately 4.1ha) in 2012 to a high of 157,511 (approximately 39.3ha) in 2007.

5.53 From Figure 5.5, it can also be seen that rates of development for office, industrial and warehousing schemes have varied over the period 2004 to 2014. Overall, however, take-up has been strongest with respect to industrial (B1c and B2) space, as previously discussed.

Figure 5.5 Employment Floorspace Completions



Source: RMBC/NLP Analysis

- 5.54 Figure 5.5 indicates that the 112,912sq.m of floorspace developed for B8 warehousing uses in 2007 was uncharacteristically high in comparison with the levels of activity observed across the remainder of the time period. This is, in part, attributable to the development of a large (103,000sq.m) warehousing facility for Next at Brookfields Park.
- 5.55 Similarly, the 39,042sq.m of B1a/b office space developed in 2011 appears somewhat high, when considered within the context of levels of activity in the years before and after. It is understood that this is, in part, attributable to the delivery of new civic offices for RMBC, totalling 28,870sq.m.

Losses of Employment Space

Sheffield

- 5.56 Data regarding the loss of employment land to non-B class development is recorded by SCC, with data covering the period 1989 to 2014 made available to NLP. Over this 26 year period, 174.3ha of employment land was lost to non-B class uses. This equates to average annual losses of 6.7ha. Of the employment land lost, on average 2.9ha per annum was previously in use or allocated for industrial uses, 2.1ha for office uses and 1.7ha for B8 uses.
- 5.57 The data indicates that losses over this period were primarily driven by the delivery of housing (57.2ha) and retail (49.8ha) schemes, as well as Sui Generis developments (43.3ha).
- 5.58 Comparing average annual losses of 6.7ha to an average annual gross development rate of 12.1ha indicates that the net delivery of employment land in Sheffield between 1989 and 2014 averaged 5.4ha per annum.

- 5.59 This broken down by use class, as follows:
- B1a/b (offices): gross take-up of 1.5ha per annum less losses of 2.1ha per annum = net take-up of -0.6ha per annum;
 - B1c/B2 (manufacturing): gross take-up of 7.5ha per annum less losses of 2.9ha per annum = net take-up of 4.6ha per annum; and
 - B8 (warehousing and distribution): gross take-up of 3.1ha per annum less losses of 1.7ha per annum = net take-up of 1.4ha per annum.
- 5.60 Data for the period 2004-14 shows a decline in losses to an average of 3.9ha per annum. This would suggest a slightly higher net delivery rate of 6.0ha per annum over the 11 year period. Analysis of the last 5 years for which data is available shows a further decline in losses to just 1.4ha per annum, giving rise to a net delivery rate of just 1.2ha per annum.

Rotherham

- 5.61 Data regarding the development of land on employment sites for non-B class uses is recorded by RMBC. Over the 9 year period (2006 to 2014) for which data is available, 43,826sq.m. of floorspace has been developed for non-employment uses, corresponding to average losses of 4,870sq.m per annum. Losses have been driven by development across a range of non-B class sectors including: hotel accommodation (25%); retail (19%); nursing home/care homes (16%); and clinics and creches (14%).
- 5.62 Over the same period of time, 514,264sq.m. of space has been developed for B class uses. As such, the delivery of non-B class floorspace on employment sites within Rotherham corresponds to 7.9% of all space delivered on such sites, with B class uses accounting for 92.1%.
- 5.63 Comparing average annual losses of 4,870sq.m. to average annual gross development rates of 57,140sq.m. indicates that the net delivery of employment space in Rotherham over the period 2006-2014 averaged 52,270sq.m per annum. As discussed above, all data on take-up and losses is recorded by RMBC on the basis of floorspace, rather than land take. However, applying a standard plot ratio of 40% to the development of 52,270sq.m. per annum, as derived above, would imply a net land take across Rotherham of in the order of 13.1ha per annum. It is recognised, however, that this is an estimate only and that a plot ratio of 40% may not be appropriate for all of the non-B class developments that have occurred on employment sites in the Borough.

Employment Space in Adjoining Areas

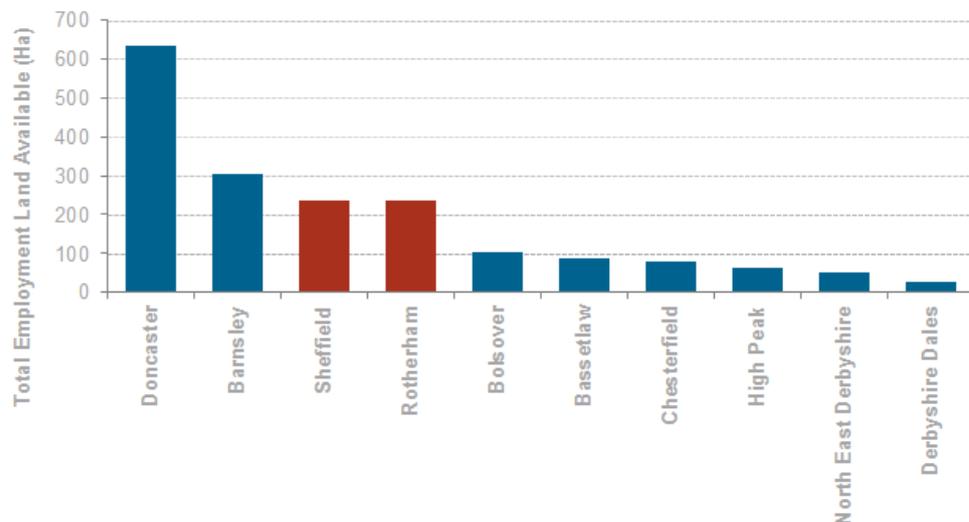
- 5.64 It is also important to understand the balance between the supply of, and demand for employment land in those authorities located adjacent to Sheffield and Rotherham. In addition to the quantitative balance of supply and demand, it is also helpful to understand more qualitative issues, such as the extent and types of available employment land and any major new developments which

could compete with Sheffield and Rotherham in future. These issues are considered in Figure 5.6 and the accompanying paragraphs set out below.

5.65

It should be noted that the analysis presented within this document is largely quantitative in nature. Clearly, in order to understand the true demand-supply balance in a particular location, one must take account of the deliverability and viability of sites, as well as their market attractiveness and ability to meet the requirements of those sectors anticipated to drive future demand. A detailed qualitative assessment of the portfolio of land in the neighbouring local authority areas is, however, beyond the scope of this commission.

Figure 5.6 Employment Land Supply (ha)



Source: Annual Monitoring Reports, Various 2010-2014*

*Note: Generally includes allocated land and extant planning permissions for employment use using latest available AMRs.

5.66

Figure 5.6 indicates that Sheffield and Rotherham have a similar level of available employment land, but less employment land availability than Doncaster and Barnsley. Doncaster has more than double the employment land availability in Sheffield and Rotherham, which could have implications for the supply and demand of employment land provision across both local authority areas.

5.67

Sheffield and Rotherham have a considerably higher amount of available employment land compared with Bolsover, Bassetlaw, Chesterfield, High Peak, North East Derbyshire and Derbyshire Dales, as would be expected for these smaller/more rural authorities.

5.68

Further information in respect of employment land by other neighbouring local authorities is summarised below.

Doncaster

5.69

Doncaster forms part of the Sheffield City Region and associated LEP area. Employment land in Doncaster is concentrated around the airport, town centre and near to the M18.

5.70 Like the other South Yorkshire authorities, Doncaster's economy is undergoing radical structural change, with the decline of mining and traditional manufacturing. Investment in the town centre, M18, A1(M) corridor and the opening of Robin Hood commercial Airport has helped to diversify the economy, with associated benefits for the wider City Region.

5.71 In order to drive further growth, Doncaster's Economic Growth Plan⁴⁶ identifies a number of key sectors with the potential to grow, including:

- Logistics: focussing on the development of the Airport Growth Corridor;
- Manufacturing: anticipated to create further highly skilled jobs in advanced engineering; and
- Low carbon: planned investments in carbon capture, waste and renewable energy are anticipated to create an estimated 4,500 - 5,000 new jobs.

5.72 The supply of employment land in Doncaster is high, at 634.85ha⁴⁷; however, this has risen in recent years as a result of the outline planning permission for the proposed Strategic Rail Freight Interchange (Inland Port) together with ancillary infrastructure including road improvements - the Finingley and Rossington Regeneration Route Scheme (FARRS) – and a road/rail served inter-modal freight terminal with distribution units rail linkages on a 197ha Green belt site at Rossington. Other notable employment schemes include:

- The commencement of construction of a 80ha site at Hatfield Power Park, including a Carbon Capture coal power station and Doncaster's Energy from Waste unit;
- Almost 52ha of undeveloped reserve employment land at Bentley Moor Lane in Carcroft;
- Just under 29ha of undeveloped land at Hungerhill Business Park in Edenthorpe restricted for B1 use; and
- Outline planning permission for 27ha of land designated for air related use adjacent to Robin Hood Airport, which includes the 10ha Airport Enterprise Zone.

5.73 The Doncaster ELR (2009) recommends the need for 584 ha of industrial space, plus 180,000m² of office space. It would therefore appear that Doncaster already has a sufficient allocation of sites to meet demand and could potentially play a role in accommodating unmet demand from neighbouring authorities. It is, however, understood that Doncaster's ELR is currently being updated. Doncaster is understood to be viewed by stakeholders as being well placed to accommodate growth in the wider logistics and distribution market.

⁴⁶ Doncaster Together (2013), Doncaster's Economic Growth Plan 2013-18

⁴⁷ Doncaster Annual Monitoring Report 2013-14

Barnsley

- 5.74 Barnsley is located within the Sheffield City Region and associated Local Enterprise Partnership. Employment land is concentrated in the south and east of the Borough, with a number of established business parks and industrial estates located at Junctions 36 and 37 of the M1. The Barnsley Growth Corridor also comprises land to the east of the M1 and incorporates the cities of Wakefield, Doncaster and Rotherham.
- 5.75 Barnsley has witnessed a major restructuring of its economic base following the loss of its traditional industrial base in the 1990s.⁴⁸ Whilst the economy has since diversified, Barnsley's economy remains small, with too few jobs and too few businesses for its size, resulting in substantial leakage of workers to other areas, most notably Sheffield.
- 5.76 The Barnsley Jobs and Growth Plan is the key strategy through which these issues are to be tackled, and aims to significantly increase the number of jobs and new businesses in Barnsley to 'rightsize' its economy. Key sectors being targeted by the local planning authority to deliver growth include:
- Advanced Manufacturing;
 - Logistics;
 - Business Services; and
 - Low Carbon.
- 5.77 The Council published its ELR in April 2010 which concluded that there is insufficient employment land to achieve economic transformation in terms of area, location, character or type, which could potentially constrain growth opportunities. In order to address this, the Local Plan Consultation Draft (2014) identifies a requirement for 291ha of employment land to 2033 and allocates 306 ha to accommodate this. The allocation of additional land could make Barnsley more effective at competing for demand from South Yorkshire firms and inward investors. It may also offer some limited potential to accommodate unmet demand from neighbouring authorities.

Bolsover

- 5.78 Bolsover is located in Derbyshire and is included within both the Sheffield City Region LEP and the D2N2 LEP area. Employment land is concentrated in the north west of the district, with key concentrations around Bolsover town centre.
- 5.79 The M1 motorway provides a good base for manufacturing and distribution firms in Bolsover which dominate the market. The Derbyshire Employment Sites Review identifies a modest demand for office space locally – reflecting competition from larger centres nearby - primarily comprising small occupiers requiring a location near the motorway junctions.⁴⁹

⁴⁸ Barnsley Employment Land Review (April 2010)

⁴⁹ North East Derbyshire District Council (2014) Derbyshire Employment Sites Review

5.80 Key sectors outlined as offering the strongest growth potential in Bolsover include⁵⁰:

- Transport and storage;
- Accommodation and food service activities;
- Real estate; and
- Human health and social work activities.

5.81 A new Employment Land Review for Bolsover is currently underway. The Local Plan for Bolsover allocates 104 ha of employment land, however, it is not yet clear how this relates to anticipated future demand emerging through the new ELR, and therefore the potential impact on Sheffield and Rotherham.

Bassetlaw

5.82 Bassetlaw is located in Nottinghamshire and is included within both the Sheffield City Region LEP and the D2N2 LEP. Employment land is spread out across the District with a large cluster in and around Worksop and smaller clusters around Retford and Harworth.

5.83 With links to the A1 and A1(M), Bassetlaw's economy is focussed on the logistics and manufacturing sectors. The Robin Hood Airport Growth Zone to the north of the District is also identified within the East Midlands Northern Sub-Region Employment Land Review as a long term economic growth opportunity for Bassetlaw.

5.84 In order to support future growth, the Bassetlaw Regeneration & Growth Strategy⁵¹ identifies opportunities in the following sectors:

- Agriculture/ food;
- Professional and business support services;
- The environmental and renewable sectors; and
- Tourism.

5.85 In 2013/14, Bassetlaw's supply of employment land was estimated at 89.25ha. The East Midlands Northern Sub-Region Employment Land Review indicated that this level of supply will be insufficient to cater for growth⁵² - given that past take up rates in Bassetlaw are the highest in the Sub-Region. If unresolved, unmet demand in Bassetlaw has the potential to exert additional pressures on employment sites within adjacent local authorities, including Sheffield and Rotherham – particularly the latter.

⁵⁰ Bolsover District Council, (2015) Draft Economic Development and Housing Strategy 2015 – 2020

⁵¹ Bassetlaw District Council, (2014), Regeneration & Growth Strategy 2014-2028

⁵² The scale of undersupply is not, however, quantified within the document

Chesterfield

- 5.86 Chesterfield is located in Derbyshire and is included within both the Sheffield City Region LEP and the D2N2 LEP. Employment land is concentrated around the market town of Chesterfield, with a number of established business parks surrounding the A61.
- 5.87 Chesterfield is the largest established office location in the East Midlands Northern Sub-Region, and has accommodated considerable B1-type growth in recent years. The recent growth of service based sectors, coupled with a degree of diversification in the manufacturing base, has helped to compensate for the loss of traditional employment in Chesterfield Borough, supported by the construction of a range of industrial and office premises, including several successful Innovation Centres on Council-owned land.⁵³
- 5.88 Key sectors being targeted by the Local Planning Authority to help deliver future growth⁵⁴ include:
- Manufacturing, Distribution and Transport: anticipated to generate new jobs related to developments at Markham Vale;
 - Financial and Business Services: identified as a key growth sector nationally and supported by recent local growth in Chesterfield;
 - Public Admin/Health/Education: key opportunities linked to the delivery of services to an ageing population; and
 - Other Business Services: including professional organisations and the cultural industries.
- 5.89 The 2011 Employment Land Topic Paper⁵⁵ suggests that demand over the period 2008 to 2026 could be in the order of 84ha. An assessment of supply undertaken as part of the same exercise indicates the existence 173ha of employment land. As a result, it is considered unlikely that Chesterfield will exert any significant pressure on demand for land in Sheffield and Rotherham.

High Peak

- 5.90 High Peak is a borough of Derbyshire, included within the D2N2 LEP area. Employment land is concentrated in the south and west, with the majority of the borough included within the Peak District National Park.
- 5.91 High Peak has experienced a decline in manufacturing in recent years and remains over-reliant on manufacturing and public sector employment. A stated aim for High Peak is to diversify the local economy in order to improve the local job offer and reduce the level of out-commuting. In particular, the High Peak Growth Plan⁵⁶ seeks to drive growth in:

⁵³ Nottinghamshire County Council and Partners, (2008), East Midlands Northern Sub-Region Employment Land Review

⁵⁴ Chesterfield Borough Council, (2005) Economic Development Strategy 2005-2015

⁵⁵ Chesterfield Borough Council, (2011) Core Strategy Employment Land Topic Paper

⁵⁶ High Peak Borough Council, (2013), High Peak Growth Plan

- Manufacturing;
- Higher Education; and
- Smaller businesses expressing an aim of high growth.

5.92 High Peak's Annual Monitoring of employment land availability has not been updated since 2010-2011. This indicated that the Borough had 65ha of employment land available. The 2014 High Peak and Staffordshire Moorlands ELR demand update identifies a need for 40-80 ha of employment land to 2031. However, the study also indicated that much of the existing supply is not fit to meet the needs of modern businesses or the needs of the potential growth sectors in the area.⁵⁷

5.93 In the event that demand is towards the higher end of the projected need (i.e. 80ha), this has the potential to exert additional pressures on employment sites within the study area – and Sheffield in particular - if new sites are not identified.

North East Derbyshire

5.94 North East Derbyshire is located in the East Midlands and is included within both the Sheffield City Region LEP and the D2N2 LEP. Employment land is concentrated in Clay Cross in the south of the district and Eckington and Killamarsh to the north.

5.95 North East Derbyshire's traditional reliance upon coal, steel and heavy engineering industry has resulted in concentrations of high unemployment compared to the rest of the region. The East Midlands ELR also indicates that North East Derbyshire has the lowest rates of take-up across the sub-region, in part due to poor access to the M1 for some sites. However, following substantial public sector investment, this area is now becoming more established, with the south eastern areas of the District beginning to be viewed in the sub-regional context, as major locations for new investment.⁵⁸

5.96 Target growth sectors identified within the North East Derbyshire Employment & Economy Topic Paper⁵⁹ include:

- Advanced manufacturing: capitalising on existing strengths in the manufacturing sector and access to the strategic highways network; and
- Digital/creative sector: considered to provide opportunity to diversify and grow.

5.97 The Employment Sites Review (2014)⁶⁰ suggests planning for a demand of 50 ha to 2031. The Review also identifies c.50ha of land classified as "attractive sites to the market with limited constraints to employment development", plus additional land that is less attractive/more constrained. On this basis, North

⁵⁷ NLP, (2014), Employment Land Requirement Study : High Peak and Staffordshire Moorlands ELR

⁵⁸ Nottinghamshire County Council and Partners, (2008), East Midlands Northern Sub-Region Employment Land Review

⁵⁹ North–East Derbyshire District Council, (2015), Employment & Economy Topic Paper

⁶⁰ North East Derbyshire District Council, (2014), Derbyshire Employment Sites Review

East Derbyshire is, therefore, unlikely to exert significant influence on demand for the land in the study area.

Derbyshire Dales

- 5.98 Derbyshire Dales is located within Derbyshire and is included within both the Sheffield City Region LEP and the Derby, Derbyshire, Nottingham, Nottinghamshire (D2N2) LEP. Employment land is concentrated in the larger settlements of Ashbourne, Matlock and Wirksworth, as well as sites in Darley Dale and Rowsley.
- 5.99 Like Sheffield and Rotherham, Derbyshire Dales has a high concentration of employment in the manufacturing and public administration sectors. Whilst the economy has diversified in recent years, with the development of the visitor economy and creative industries, Derbyshire Dales' economy remains small, with too few high-value jobs. This has resulted in substantial leakage of highly skilled workers to other areas.
- 5.100 The Derbyshire Dales Economic Plan⁶¹ aims to increase the number of jobs in the area by focussing on opportunities in the following sectors:
- Manufacturing: including advanced manufacturing and food and drink manufacturing;
 - The visitor economy: building upon key assets and the strengths of the Peak District National Park; and
 - Knowledge-based and creative industries: in order to support the development of high-value jobs.
- 5.101 Historically, demand for employment sites in Derbyshire Dales has been very low, averaging 0.47 ha per annum over the past 16 years and 0.03ha between 2012 and 2013.⁶² The remaining supply of employment land, at 27ha, is considered more than sufficient to meet past take up, although a number of sites require significant investment to address constraints. Overall, there is little to suggest that the leakage of high skilled workers from the Derbyshire Dales to locations such as Sheffield will not continue, although the scale of the future outflow cannot be identified.

Conclusions

- 5.102 The provision of employment floorspace in Sheffield, at 4.33 million sq.m, is significantly higher than all other authorities in South Yorkshire. The city's stock is dominated by industrial premises, which account for 78% of all space. A particularly high concentration of stock can be found in the Lower Don Valley, although the city contains a number of established industrial areas.

⁶¹ Derbyshire Dales District Council, (2014), Derbyshire Dales Economic Plan for higher-value jobs 2014-2019.

⁶² Derbyshire Dales, Annual Monitoring Report 2012-2013

- 5.103 Vacancy rates for industrial premises in Sheffield are, at 4.1%, particularly low and indicate the existence of a tight market for industrial space.
- 5.104 Sheffield is also characterised by a strong office market. With 973,000sq.m of office space, the level of provision per 1,000 population is almost double that observed elsewhere in South Yorkshire. Space is primarily concentrated within the city centre, although a significant amount of office space can also be observed in the Lower Don Valley.
- 5.105 Vacancy rates in relation to office premises are high at c.20%. However, this overall figure is understood to mask a reduced availability of Grade A space, which it is anticipated could create upward pressure on prime headline rents for good quality city centre stock.
- 5.106 Rotherham is estimated to have a supply 2.31 million sq.m of employment space. This is dominated – to a much greater extent than Sheffield – by industrial stock, which accounts for 90% of all space. The Borough has the highest provision of industrial stock per 1,000 population of all the South Yorkshire authorities, demonstrating the importance of the area as an industrial location. Industrial space is distributed across the Borough, with 40% in Central Rotherham, 34% in the south and 26% in the north. The AMP, however (one of several EZ sites across the study area) has emerged in recent years as a key location for advanced manufacturing businesses.
- 5.107 The ratio of office to industrial space in Rotherham is comparable with that observed in Barnsley and Doncaster. Similarly, the level of office floorspace provision per 1,000 population is in broad alignment across the three authorities. Looking at the spatial distribution of office space in the Borough, it can be seen that much of the provision (57%) is concentrated within Central Rotherham.
- 5.108 Data regarding vacancies in Rotherham does not allow office and industrial premises to be analysed separately. Overall, however, it is understood that vacancy rates stand at approximately 11% - broadly in line with the level anticipated within a healthy, well-functioning commercial market.
- 5.109 A high level, quantitative assessment of the demand-supply balance in the neighbouring local authorities would appear to suggest that High Peak (in the event that demand is towards the top end of the range of identified requirements) and Bassetlaw may not currently have enough available employment land to meet future need. This could exert additional pressure on sites elsewhere – including in Sheffield and Rotherham in some instances.
- 5.110 As a counterbalance to this, however, the exercise would also appear to suggest the existence of some slack in the demand-supply balance with respect to the neighbouring authorities of Barnsley and Chesterfield. This could help to accommodate unmet demand from elsewhere. In addition, Doncaster has a significant portfolio of land. In the event that future demand in the Borough is lower than anticipated, there may also be some potential for

some of the c.600ha of available land to contribute to accommodating unmet demand from elsewhere.

6.0 **Economic Potential Growth Sectors**

6.1 This section assesses the future economic growth potential of Sheffield and Rotherham in order to identify those industrial sectors most likely to drive forward this growth. The analysis draws upon the findings of the preceding sections.

Future Potential

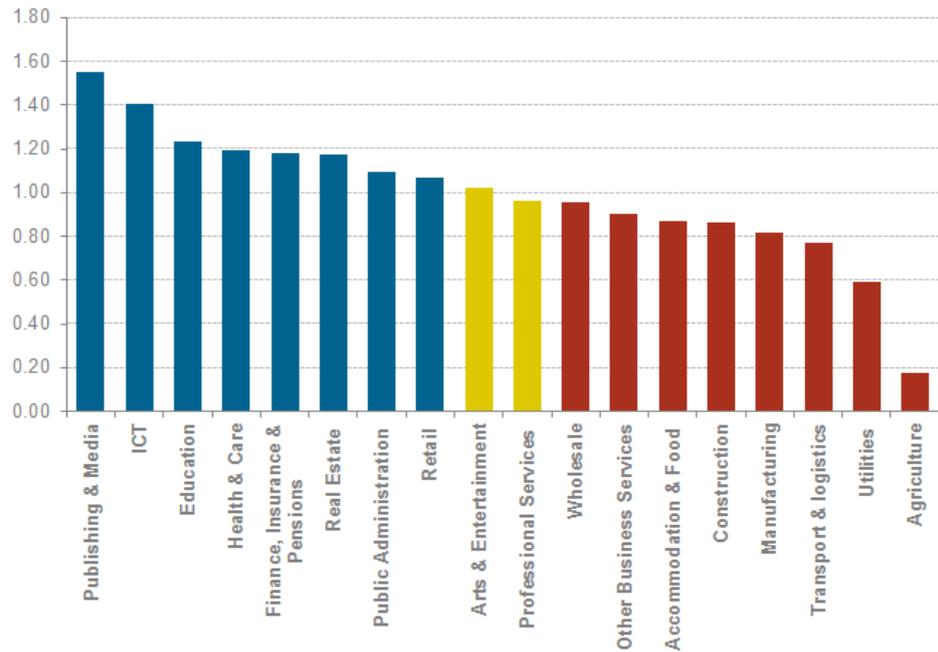
6.2 To understand which industrial sectors are likely to be most important to Sheffield and Rotherham's future growth aspirations, it is important to consider which sectors are currently under or over-represented within the local economy and to examine recent levels of growth.

6.3 Figure 6.1 assesses the current sectoral strengths through the use of location quotients, which measure the concentration of employment in an industry at the Local Authority level relative to the regional average. Those sectors shown in blue denote a greater-than-average representation of employment relative to Yorkshire and The Humber region, whilst those in red denote a lower representation. Comparable representations are also shown in yellow. The further the bar is from a value of 1.0, the greater the extent of the 'over' or 'under'-representation.

Sheffield

6.4 In Sheffield, Figure 6.1 clearly illustrates a substantial over-representation of publishing & broadcasting and technology. Sheffield also features a higher proportion of jobs in: education; health & care; finance, insurance & pensions; real estate; public administration; and retail than the regional average. Whilst the sectors of arts & entertainment and professional services are represented by a high number of jobs, these sectors are generally in line with regional averages. Sheffield is, however, under-represented regarding the proportion of jobs in: wholesale; other business services; accommodation & food; construction; manufacturing; transport; utilities; and agriculture.

Figure 6.1 Location Quotients of Economic Sectors in Sheffield



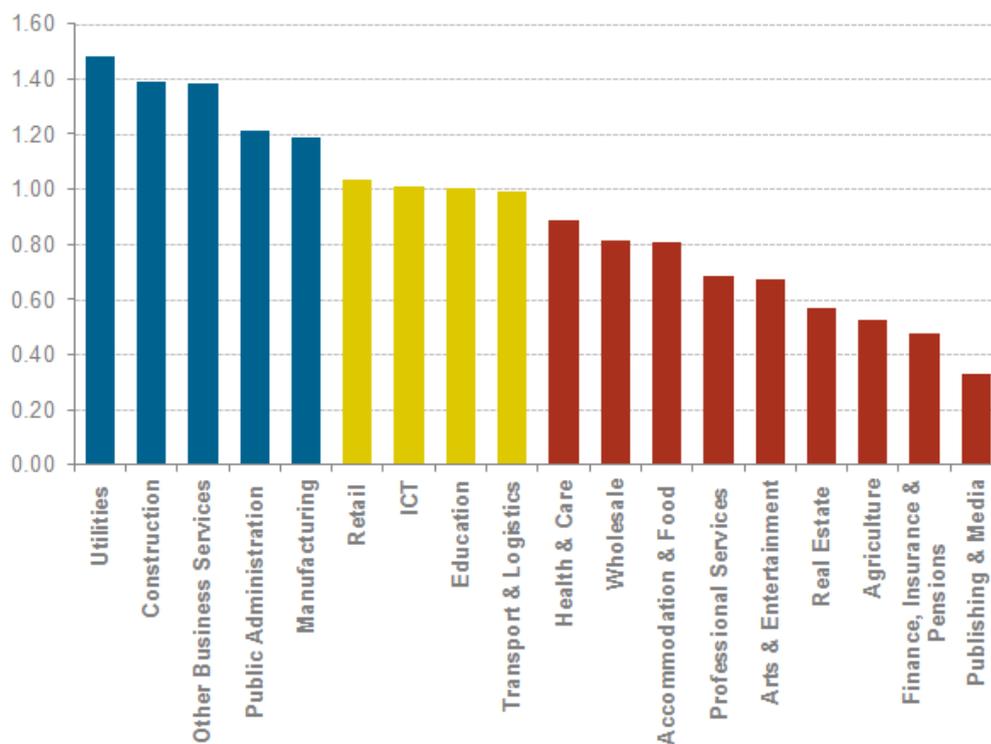
Source: Experian / NLP analysis

Rotherham

6.5

In contrast to Sheffield, Rotherham has a substantial over-representation of employment in utilities, construction and other business services. Rotherham also features a higher proportion of jobs in public administration and manufacturing than the regional average. Whilst the sectors of retail, education and transport are represented by a high number of jobs, these sectors are generally in line with regional averages. Rotherham is, however, under-represented regarding the proportion of jobs in: health & care; wholesale; accommodation & food; arts & entertainment; real estate; agriculture; finance, insurance & pensions; and publishing & broadcasting.

Figure 6.2 Location Quotients of Economic Sectors in Rotherham



Source: Experian (2014) / NLP analysis

Recent Growth Performance

- 6.6 The picture presented by the above analysis is, however, static. As such, it is useful to supplement this with an understanding of the recent growth performance of these sectors within Sheffield and Rotherham in comparison with the regional average. Taken together with the location quotient analysis set out above, this can give an indication of those sectors which have a competitive advantage in an area and may therefore offer greater scope to drive future growth. Tables 6.1 and 6.2 categorise the economic sectors according to both their current representation and growth over the past 15 years (2000-2015) relative to that of Yorkshire and the Humber.
- 6.7 Those sectors at the top of the list in each quadrant are those which have recorded the highest nominal growth, whilst those with asterisks are those which have actually recorded a decline in jobs (e.g. a sector is categorised as 'high growth' even if it has recorded a decline in jobs, provided the rate of decline was less than that experienced regionally).

Sheffield

- 6.8 As show in Table 6.1 below arts & entertainment, retail and finance insurance & pensions - located within the top left quadrant of the table – all have location quotients in excess of 1.0. This could suggest the existence of some degree of competitive advantage, although this is perhaps less likely in respect of arts & entertainment given that the relevant location quotient (1.02) indicates a very

marginal over-representation of employment in the sector within the local authority. The level of employment growth recorded in each of the aforementioned sectors was weaker in Sheffield than across Yorkshire and Humber as a whole for the period 2000 to 2015.

- 6.9 Other sectors including: real estate, publishing & broadcasting, education, ICT and health & care and public administration demonstrated stronger representation and rates of growth than the regional average. Construction and wholesale also demonstrated higher rates of growth, despite a representing lower proportion of employment than the regional average.

Table 6.1 Economic Sectors in Sheffield Characterised by Size and Employment Growth

High Representation, Low Growth	High Representation, High Growth
Arts & Entertainment (LQ: 1.02, +10.8% vs +26.7%, +770 jobs) ⁶³	Health & Care (LQ: 1.19, +49.0% vs +28.4%, +14,800 jobs)
Retail (LQ: 1.07, -7.5% vs -4.6%, -2,250 jobs)	Education (LQ: 1.23, +61.0% vs +32.2%, +12,960 jobs)
Finance, Insurance & Pensions (LQ: 1.18, -12.7% vs -6.9%, -1,380 jobs)	Publishing & Broadcasting (LQ: 1.55, +85.3% vs +1.9%, +2,720 jobs)
	Real Estate (LQ: 1.17, +106.8% vs +79.8%, +2,350 jobs)
	ICT (LQ: 1.41, +53.8% vs +47.8%, +1,610 jobs)
	Public Administration (LQ: 1.10, -1.4% vs -4.1%, -210 jobs)
Low Representation, Low Growth	Low Representation, High Growth
Professional Services (LQ: 0.98, +40.1% vs. +62.1%, +18,220 jobs)	Construction (LQ: 0.86), +12.9% vs +7.8%, +1,840 jobs)
Transport & Logistics (LQ: 0.77, +39.1% vs +42.9%, +3,520 jobs)	Wholesale (LQ: 0.96, +4.2% vs +1.4%, +660 jobs)
Other Business Services (LQ: 0.90, +3.6% vs +23.2%, +890 jobs)	
Utilities (LQ: 0.59, -11.8% vs +41.7%, -240 jobs)	
Agriculture (LQ: 0.18, -52.3% vs +2.7%, -800 jobs)	
Accommodation & Food (LQ: 0.87, -8.0% vs +2.6%, -1,210 jobs)	
Manufacturing (LQ: 0.81, -38.2% vs -28.8%, -15,250 jobs)	

Source: Experian / NLP Analysis

⁶³ With a location quotient of 1.02, the sector has an above average representation in Sheffield (albeit a marginal one). Employment growth of +10.8% was observed between 2000 and 2015. This represents a low rate of growth in comparison with the level observed across Yorkshire & Humber of +26.7%. In absolute terms, employment growth over the period equates to +770 jobs

Rotherham

- 6.10 In Rotherham, sectors including: public administration, other business services, utilities, construction, retail and manufacturing demonstrated stronger representation and rates of growth in Rotherham than the regional average. Professional services and publishing & broadcasting also demonstrated higher rates of growth (albeit from a low base in the case of the latter) despite a representing lower proportion of employment than the regional average.

Table 6.2 Economic Sectors in Rotherham Characterised by Size and Employment Growth

High Representation, Low Growth	High Representation, High Growth
Education (LQ: 1.00, +28.8% vs +32.2%, +2,480 jobs)	Other Business Services (LQ: 1.39, +97.7% vs +23.2%, +7,760 jobs)
ICT (LQ: 1.01, +9.1% vs +47.8%, +110 jobs)	Public Administration (LQ: 1.21, +100.0% vs -4.1%, +3,180 jobs)
	Construction (LQ: 1.39, +24.5% vs +7.8%, +2,030 jobs)
	Retail (LQ: 1.04, +12.7% vs -4.6%, +1,200 jobs)
	Utilities (LQ: 1.48, +84.5% vs +41.7%, +820 jobs)
	Manufacturing (LQ: 1.19, -28.0% vs -28.8%, -5,570)
Low Representation, Low Growth	Low Representation, High Growth
Transport & Logistics (LQ: 0.99, +39.1% vs +42.9%, +1,810 jobs)	Professional Services (LQ: 0.68, +192.0% vs 62.1%, +3,360 jobs)
Health & Care (LQ: 0.89, +7.1% vs +28.4%, +890 jobs)	Publishing & Broadcasting (LQ: 0.33, +4.2% vs 1.9%, +20 jobs)
Real Estate (LQ: 0.57, +66.0% vs +79.8%, +350 jobs)	
Arts & Entertainment (LQ: 0.67, -11.5% vs +26.7%, -270 jobs)	
Agriculture (LQ: 0.53, -25.4% vs +2.7%, -300 jobs)	
Accommodation & Food (LQ: 0.81, -9.1% vs +2.6%, -520 jobs)	
Wholesale (LQ: 0.81, -13.1% vs +1.4%, -840 jobs)	
Finance, Insurance & Pensions (LQ: 0.48, -39.8% vs -6.9%, 1,010 jobs)	

Source: Experian / NLP analysis

Sectors with Growth Potential

- 6.11 Building upon this initial analysis and taking account of the locational requirements of a range of key industrial sectors, it is possible to form a view as to how likely Sheffield and Rotherham are to develop or attract growth in these and other key sectors over the study period. The analysis draws upon

the key drivers of business location by sector⁶⁴ as well as research underpinning Sheffield and Rotherham's economic and growth strategies, stakeholder consultation and the findings of previous chapters.

Financial / Professional Services

- 6.12 Business location decisions in the financial and professional services sector reflect factors such as access to markets/suppliers; a skilled and diverse workforce; and high quality transport and telecommunications infrastructure. Quality of life factors, including good housing and cultural facilities are also important.
- 6.13 Sheffield is an established UK centre for business, professional and financial services⁶⁵, accounting for over 33,000 jobs in Sheffield, or 13% of Sheffield's total employment base. The sector includes a range of blue chip companies such as HSBC, Santander, Aviva, HBOS, RBS and Nationwide all occupying premises in the City. These firms provide shared service centres, contact centres and business process outsourcing across a range of specialisms including finance; life and pensions administration; legal services; customer services; and IT development and service support.
- 6.14 The majority of businesses in this sector are located, or would seek to be located, within Sheffield City Centre, or purpose built business and office parks at Meadowhall and other out of centre locations. The high value nature of the sector means that businesses can afford to seek premises in such locations and thereby capitalise upon the profile and accessibility benefits that they offer. Out of centre locations will be attractive for firms seeking lower rents and the availability of free car parking.
- 6.15 Consultation with commercial agents indicates that the universities in Sheffield play a key role in ensuring that businesses have access to a skilled pool of workers, and in particular students with strong business skills. Sheffield's well developed transport network also forms an important role, including direct rail links to London which are set to be improved via electrification of the Midland Mainline route and, ultimately, provision of HS2. A relatively low cost base in terms of salaries and occupancy costs is a further key contributing factor to companies choosing to locate within the City, as well as offering a high quality of life.
- 6.16 Within Rotherham, financial and business services account for just under 10,000 jobs, or 10% of Rotherham's employment base. Consultations with commercial agents revealed relatively low demand for office sites in Rotherham particularly for out of town office parks. Key clusters of activity do,

⁶⁴ Spatial Requirements of Key Sectors in the South East, SEEDA (2004) and Demand for Employment Land in Greater Manchester (NLP, August 2009)

⁶⁵ Whilst professional services in Sheffield has been classified within Table 6.1 as having a low representation, it should be noted that this is marginal, with a location quotient of 0.98 observed. Similarly, whilst employment growth at the regional level (2000-15) exceeded the level recorded in Sheffield, it should be noted that a significant increase (+40.1%) was observed in the city

however, exist within Rotherham town centre particularly in Moorgate, as well as smaller business parks surrounding the M1 at junctions 33 and 34. These firms provide a range of services including finance; legal services; marketing; and IT development and service support.

- 6.17 Agents considered the attractiveness of Rotherham is supported by strong accessibility, a large workforce and a relatively low cost base in terms of salaries and occupancy costs. A key challenge, however, was raised in relation to the availability of high quality office space, as well as competition from Sheffield and other key cities in the surrounding area including Leeds and Manchester.
- 6.18 At present, the long term growth prospects of the financial and professional services sector is still unclear. Past experience is that during periods of economic uncertainty, financial institutions and business services typically retrench from growth areas to their core locations ('safe havens') – a trend that in global financial sectors terms might reinforce traditional locations such as London, as compared to Sheffield or Rotherham. However, against this, Sheffield in particular still comprises an established business services location for the North of England.
- 6.19 Sheffield (and to a much lesser extent Rotherham) will also compete with larger Northern cities including Leeds and Manchester for firms in the financial and business service sector, and so the presence of a choice of Grade A office space in both central and business park locations will be important in enabling growth.
- 6.20 Sheffield is looking to enhance provision of Grade A office space within the City Centre. The future development of HS2 could also encourage further business park development at Meadowhall as an appropriate location with high speed links to other commercial centres, particularly London. Clearly, this would only be the case in the event that an HS2 station is located in close proximity to Meadowhall. Within this context, SCC is promoting Sheffield City Centre as an alternative potential location for an HS2 station.
- 6.21 Rotherham is seeking to ensure there is sufficient office space of the right quality and in the right locations to attract further financial and business services organisations to the area. A key element of this is to develop further office space within the town centre, supporting the wider transformation and regeneration of the area.
- 6.22 In the medium to long term, NLP concludes that the locational advantages of Sheffield in particular for established financial and business services will, with continued effort and investment, continue to enjoy significant growth over the Plan period even if the short term shows a slowdown. Such growth should be aided by policy objectives to increase high quality office space in Sheffield City Centre and Rotherham town centre, as well as the commitment by the City Region to raise the area's profile and further encouraging inward investment which, if achieved, could lead to strong growth in this sector in the long term.

Wholesale, transport and logistics

- 6.23 Key locational factors for transport and logistics activities are the availability of low cost warehousing, storage and distribution sites, whilst access to the strategic road network is critical.
- 6.24 In Sheffield, jobs in wholesaling, land transport and storage have demonstrated recent growth, albeit from a relatively small base. In total, the sectors account for in excess of 28,000 jobs in Sheffield, or 11% of all jobs. Much of Sheffield's distribution and logistics activity is focused within the Lower Don Valley, as well as the Sheaf Valley and along the M1 corridor. Policy priorities are seeking to relocate distribution activities from less suitable areas in and around the City Centre to the Lower and Upper Don Valleys.
- 6.25 Despite recent growth, consultation with local agents revealed limited demand for distribution units within Sheffield, and a lack of speculative development resulting from viability concerns. Feedback from local agents also revealed that existing warehouse units in Sheffield are not considered to be in the best location for end users, and would be better located on the M1 corridor with access to the strategic road network.
- 6.26 In Rotherham, wholesaling, land transport and storage accounts for just under 12,000 jobs, or 12% of Rotherham's total employment base⁶⁶. The sector benefits from strong accessibility to the M1 corridor, with the majority of sites surrounding junctions 34 and 35 and the M18 including Hellaby Industrial Estate.
- 6.27 Consultation with local industrial agents revealed a growing market for large scale industrial units in Rotherham, with excellent road links, low levels of congestion, relatively low occupancy costs and the availability of skilled local labour acting as key attracting factors. In particular, agents considered that retail distribution has demonstrated strong growth, driven by online shopping, a growth in discount retailers and the strong accessibility of sites across Rotherham to both the M1 and M18. Demand for sites across Rotherham was considered to be strong, with a shortage of sites available for new development.
- 6.28 The development of large scale industrial units requires large, flat sites with good strategic access and minimal clean up or infrastructure costs since the sector is highly cost sensitive. Such sites are not currently present within Sheffield and Rotherham on account of the local topography and the presence of substantial areas of un-remediated brownfield land as preferred locations for development. It is therefore likely to prove difficult to provide locations for further large scale strategic sites which are able to compete with locations

⁶⁶ Whilst transport and logistics in Rotherham has been classified within Table 6.2 as having a low representation, it should be noted that this is marginal, with a location quotient of 0.99 observed. Similarly, whilst employment growth at the regional level (2000-15) exceeded the level recorded in Rotherham, it should be recognised that a significant increase (+39.1%) was observed in the Borough

elsewhere along the M1 (such as Markham Vale) where such sites are more readily available and where similar economic incentives are also in place.

6.29 Further competition in terms of rail freight associated distribution space could also result from the development of the new Inland Port at Rossington in Doncaster, although associated improvements to the Finingley and Rossington Regeneration Route Scheme (FARRS) will also improve access and journey times between Sheffield and Robin Hood Airport with potential benefits for this, and other, employment sectors.

6.30 Overall, there appears to be scope for moderate growth in the distribution sector taking into account increasing levels of demand particularly in Rotherham and the locational advantages in terms of access to the strategic road network. Future growth will, however, be partly dependent upon the availability of large, low cost sites with good accessibility coming forward for development and the impact of alternative, competing schemes.

General Manufacturing

6.31 The economies of both Sheffield and Rotherham and the wider sub-region have traditionally been underpinned by a very strong manufacturing sector, famously metal-based manufacturing and the production of steel. As indicated in Figures 6.1 and 6.2, metal based manufacturing sub-sectors are significantly over-represented in Sheffield and Rotherham (with locational quotients of 2 and 2.5 respectively), despite a significant reduction in employment in this sub-sector over many years.

6.32 Sheffield retains key strengths in the manufacture of metals and metal products, accounting for 9,750 jobs, or 4% of the total employment base. Sheffield City itself provides an important and well-recognised brand for the global markets which it serves. Significantly, whilst competition for general manufacturing from lower cost locations abroad continues to increase, Creative Sheffield outlined that Sheffield is able to compete with this market and is attracting metal manufacturing business on the basis of its global reputation (Made in Sheffield), existing highly skilled workforce and the higher quality product it is able to produce. Local agents identify a retained, and growing, demand in metal manufacturing and associated floorspace requirements as a result of this.

6.33 There are a number of established industrial areas in Sheffield, notably the Upper Don Valley, which will continue to accommodate metal-based manufacturing businesses. The sector is relatively cost sensitive and therefore access to a good supply of affordable sites and premises will remain important. Other key locational factors for the sector include good transport accessibility and an appropriately skilled labour force, all of which are present in Sheffield.

6.34 In Rotherham, traditional metal manufacturing accounts for just over 4,600 jobs, or 5% of the total employment base. Manufacturing as a whole also provides a significant level of employment in Rotherham, accounting for 12.7% of all jobs, compared to 8.7% in Sheffield and 10.7% across Yorkshire & the

Humber. Consultations with agents indicate that traditional manufacturing is a key driver of industrial space across Rotherham, with an established supply chain network.

- 6.35 Key areas of traditional manufacturing activity in Rotherham were identified in the Templeborough and Aldwarke industrial areas, the Hellaby industrial estate former Dinnington Colliery, Swallownest, Todwick Road and Waleswood industrial areas. The Waverley regeneration area is also considered to be important and includes the regionally significant Advanced Manufacturing Park.
- 6.36 The growth potential of general manufacturing is considered to be low-to-moderate, taking account of the City Region's continued shift towards a higher value and more service oriented economy (and the low representation and growth in non-metal based manufacturing), whilst at the same time reflecting the fact that the market for metal-based manufacturing floorspace remains, competing with foreign markets for the production of quality metal products.

Advanced Manufacturing / Engineering

- 6.37 This sector typically includes higher value manufacturing and engineering uses relying on greater technology and skill inputs. Important factors identified for this sector are the proximity to the strategic road network, availability of high quality business park environments and flexible/affordable workspace. However, the most important factor is the supply of skilled, qualified and experienced staff and this is identified as being the most significant challenge facing businesses in these sectors today.
- 6.38 Borne out of innovation associated with its traditional heritage in the steel industry, both Sheffield and Rotherham have developed an established track record for advanced manufacturing and engineering, and are recognised worldwide for their expertise in high precision engineered and manufactured products which form part of the global supply chain for industries such as Aerospace, Defence, Power Generation, Automotive and the Medical industry in which Sheffield and Rotherham have a distinct strength and competitive advantage.
- 6.39 Employment in Science, Research, Engineering and Technology professional occupations accounts for 21,400 jobs in Sheffield (or 7.5% of the total employment) and 4,200 jobs in Rotherham (or 4% of total employment). A further 12,400 workers (or 4% of employment) in Sheffield and 6,100 workers (6%) in Rotherham are employed in Skilled Metal, Electrical and Electronic Trades.⁶⁷ The Sheffield/Rotherham area is host to many world-leading manufacturing and engineering companies including AESSeal, Firth Rixson, JRI Orthopaedics, Rolls Royce, Siemens, Boeing and Tata Steel.
- 6.40 The presence of two universities in Sheffield, the Advanced Manufacturing Park in Rotherham, the AMID and Factory 2050 (currently under construction) as well as a number of other established higher educational institutions and

⁶⁷ Annual Population Survey (2014).

R&D facilities is key to attracting advanced manufacturing and engineering firms, alongside the critical mass of firms already present in the study area and their established track record. The Advanced Manufacturing Park (AMP) provides a dedicated advanced manufacturing technology park where established industries cluster, with established links to Sheffield's universities and on-site research centres which will help to feed further growth in this sector. Advanced manufacturing also forms a key sector in both Sheffield's Economic Strategy and Rotherham's Growth Strategy and a policy priority for future development with higher projected job growth anticipated in this sector as a result.

- 6.41 Overall, therefore, the growth potential of advanced manufacturing and engineering sectors in Sheffield and Rotherham is considered to be strong, considering the existing prevalence of knowledge based industries; the presence of universities and higher education institutions; the area's established reputation and existing skills base; and policies which prioritise the increased growth of this sector. In terms of geographic distribution, it is anticipated that the AMP and neighbouring Sheffield Business Park will remain a key focus of future advanced manufacturing activity, particularly for the expansion of established businesses.

Information & Communications Technology (ICT)

- 6.42 Information and Communications Technology (ICT) includes such business activities as computing, hi-tech telecommunications (including the internet), software design, digital storage and audio-visual systems. Important locational factors for this sector include high quality ICT infrastructure, the availability of a skilled workforce, as well as proximity to a major metropolitan centre and the market opportunities that this provides. ICT industries often cluster together in order to benefit from broadband connectivity and facilitate recruitment.
- 6.43 Sheffield performs relatively well against these criteria, providing employment for over 8,000 workers in this sector, or 3% of the total employment base. Sheffield is host to a number of ICT businesses, including Virgin Media, BT, the internet provider Plusnet, and hosts the global IT shared service centre of HSBC which is the largest private sector employer in the City.
- 6.44 Sheffield Digital Campus currently provides City Centre office accommodation, designed and built specifically for companies in the digital sector. The existence of the Digital Campus, and its current expansion, generates opportunities for future growth of the digital sector and allows the City to compete with others.
- 6.45 In Rotherham, the Information and Communications Technology sector accounts for just under 1,500 jobs, or 2% of the total employment base. Investment in new business parks in particular within the Dearne Valley and at Hellaby has, however, supported the growth of contact centre operations and business process services, with key employers including Capita which forms the largest private sector employer in the District, EON and RBS. The Rotherham Growth Plan identifies this sector as a key growth sector

internationally with increasing demand for technological solutions for outsourcing business processing functions.

- 6.46 Trends suggest that ICT firms tend to grow organically, and are therefore difficult to plan for. Having said that, favoured sites for this sector are those which provide an urban location with access to high quality ICT infrastructure and a skilled workforce. Business park locations are often favoured, as well as established locations for similar ICT activities.
- 6.47 Sheffield's Economic Strategy highlights a commitment to increase the provision of high speed broadband in the forthcoming years, as well as providing a new data storage centre which may aid further future growth in the sector. Rotherham's Growth Plan also seeks to identify a range of sites to attract inward investment including superfast broadband.
- 6.48 Overall this sector has the potential to deliver moderate to strong growth in Sheffield and low/moderate growth in Rotherham, with the expansion of established firms and the encouragement of new start-ups, the sector could facilitate strong growth in the longer term. The potential rate of growth will be dependent to an extent on the improved delivery of broadband and wireless services, as well as the success of Sheffield and Rotherham in expanding the business services sector, as this sector is a key driver of demand for ICT services.

Creative Industries / Publishing / Media

- 6.49 This diverse sector includes activities such as publishing, graphics, software, media and web-design. Key locational factors sought by businesses in the sector include access to broadband and areas with an attractive lifestyle and high quality of life. Access to London's large client base is also beneficial. The availability of skilled staff and affordable town centre premises with a good cultural image can also be important. A high proportion of freelance contractors typically work from home or within small offices.
- 6.50 Creative Sheffield highlight that Sheffield's Creative and Digital Industries (CDI) employ almost 27,000 people (9.5% of all workforce jobs) and claim that significant growth in the industry in recent years has led to Sheffield becoming one of the leading centres of digital specialism in the country. Two interdependent markets have developed: a digitally focussed market, incorporating software and interactive media and IT services; and a more creatively focussed market including design, arts and publishing.
- 6.51 Sheffield has a developing cluster of creative and digital companies, with the majority comprising home grown businesses and small scale companies, alongside some inward investment by international market leaders. Sheffield hosts a number of Global IT industry operators (including Plusnet broadband and one of HSBC's global IT centres as referred to above), as well as interactive media services and conferencing; software development (including 3Squared and G2G3.Digital); E-learning (including LEO Learning and Kineo); and other online information services.

- 6.52 The Digital Media Centre, Sheffield Technology Park, Electric Works and Showroom Workstation in Sheffield City Centre provide support for emerging creative businesses. The sector should be further aided by the focusing of additional digital, creative and knowledge based industries in the City Centre, as well as the improved broadband and wireless capabilities referred to above. There is also a commitment by the City Region to support a technology start up programme and offer assistance to the CDI sector, as well as providing private sector collaboration on creative and digital industries as part of the CloudCity initiative to further support data centre development.
- 6.53 Rotherham also benefits from a number of creative assets, including Rotherham College of Arts and Technology and the Creative Employment Programme which helped to build capacity in the local creative sector, giving young people much needed employment opportunities. Strengths in the digital sector are also supported by a series of managed workspaces including Moorgate Crofts (central Rotherham), Century Business Centre (Manvers), FUSION@Magna (Templeborough) and Matrix (Dinnington) which provide accommodation for small and start-up businesses including creative and digital.
- 6.54 Creative and Digital Industries are among the key sectors identified within the Sheffield City Region LEP Strategic Economic Plan as forming a priority for future growth. Sheffield's Core Strategy recognises the importance of this key growth clusters for the economy, and requires consolidation and strengthening of the cultural industries within the City Centre by supporting the Cultural Industries Quarter under policy CS17. Established in the early 1990's, the Cultural Industries Quarter has already played a key role in the development of the sector within Sheffield and is a recognised location for cultural, creative and digital businesses in the city. Rotherham's Core Strategy also recognises the importance of the sector, identifying the creative and digital industries as a priority for growth under Policy CS9.
- 6.55 Overall this sector is expected to deliver moderate growth given the current dominance of smaller, 'home grown' companies, albeit concentrations of activity in this sector could provide opportunities to generate indigenous growth through the development of spin-out businesses and lead to stronger growth in the long term, particularly if the various initiatives proposed by the City Region prove successful.

Utilities / Environmental Technology

- 6.56 This sector includes activities such as the production of electricity, gas and steam, renewable energy technologies, recycling, water treatment, decontamination and other environmental consultancy. Key considerations with respect to location decisions for the sector include the availability of skilled labour resources, proximity to universities with relevant Research and Development facilities, access to customers/suppliers and available incubator/move-on facilities.

- 6.57 Sheffield has a number of strong advantages in this industry, not least the City's two universities and a number of dedicated research centres including the Sheffield Siemens Wind Power Research Centre and Sheffield University Waste Incineration Centre. There are a number of established firms in renewable energy generation located in Sheffield such as Pulse Tidal and Chesterfield BioGas.
- 6.58 Rotherham also has a number of strong advantages, including the Advanced Manufacturing Park based in Waverley, research centres including the Nuclear Advanced Manufacturing Research Centre, and a number of established firms supporting the renewable energy supply chain including (*inter alia*) energyjump, Polymer-Technologies and IIDEA Ltd.
- 6.59 Employment in the Utilities sector is strongly underrepresented within both Sheffield and Rotherham at present (representing 0.7% of jobs in Sheffield and 1.8% in Rotherham), with significantly lower levels of employment in this sector than elsewhere in the region. The nature of the Environmental Technologies industry is, however, more complex than employment in the traditional utilities sector, and there are a number of companies delivering high-performance engineered products including Offshore Wind, Renewables, Carbon Capture and Storage (CCS) and nuclear power in the Sheffield city region supported by the established engineering and advanced manufacturing base.
- 6.60 Energy, environmental and low carbon industries (EELC) are among the five key growth sectors identified in Sheffield's Economic Strategy, and form a policy priority for future development, with relatively higher levels of growth expected in this sector as a result. Rotherham's Growth Plan also identifies advanced manufacturing as a target sector, including environmental technologies.
- 6.61 Demand from this sector is likely to be particularly high within the established AMP in Rotherham and the Lower Don Valley which provides an existing hub for renewable energy products and access to research and development networks, as well as strategic transport links. Recent local investments in the sector include the Blackburn Meadows biomass power station and a District Energy Network in Sheffield.
- 6.62 Overall it is considered that the sector offers moderate-strong growth potential as a result of its skilled population, the proximity of local universities and existing businesses and research centres in the context of policy prioritisation and the national requirement for advances in energy efficiency and renewable resources in future years.

Healthcare technologies / Biotechnology

- 6.63 The healthcare technologies and biotechnology sectors relate to research and development (R&D) activities linked to health based technology and pharmaceutical development. Data regarding the level of employment supported by the sectors is not readily available. However, an analysis of ONS data indicates that the following sectors currently account for 720 jobs across

Sheffield and Rotherham: scientific research & development; manufacture of pharmaceutical products and pharmaceutical preparations. It is considered that these SIC sectors provide a useful starting point for understanding the scale of the sector. Nevertheless, they are likely to represent an under-estimate, by failing to capture the full extent of the biotechnology sector and potentially excluding the health based technology sector.

- 6.64 The primary locational driver for this sector is access to relevant R&D activities, with many business start-ups requiring close university links. Access to a pool of suitable graduate labour and proximity to existing bioscience clusters can also be important to businesses, whilst large, lower-cost sites are often sought for production facilities. Locations with good access to major metropolitan centres are often viewed as preferable.
- 6.65 Sheffield has a number of advantages with respect to the healthcare technology and biotechnology sectors. The City's universities and the Sheffield Teaching Hospital Trust represent a significant asset, providing access to relevant research expertise and a pool of graduate labour. In addition, the UTC (University Technical College) Sheffield Olympic Park is scheduled to open in September 2016, offering specialist study in Human Sciences. The Olympic Legacy Park will also be home to a new Advanced Wellbeing Research Centre, a collaboration between: the Sheffield Hallam Sports Engineering Research Centre; the National Centre for Sports and Exercise Medicine; and the Sheffield Teaching Hospitals Trust.
- 6.66 Furthermore, established precision engineering expertise and firms, many of whom work in the sector (e.g. B Braun Medical Limited; JRI Orthopaedics; Symmetry Medical and Swann Morton) are located in the City and provide existing expertise and associated supply chains. Healthcare technologies (HTech) are also among the five sectors identified in Sheffield's Economic Strategy, and form a policy priority for future development.
- 6.67 In Rotherham, the Rotherham NHS Trust forms an Associate Teaching Hospital of the University of Sheffield and has an active research programme delivered through local, regional, national and international research networks and consortia. The AMP is also home to a number of healthcare, pharmaceutical and biotechnology firms with an established advanced manufacturing base. This sector is therefore considered capable of delivering moderate growth in future years.

Construction

- 6.68 The majority of employment in the sector is 'on-site' and as a result generates little requirement for commercial premises. It does, however, create a requirement for storage depots and wholesale premises supplying construction products and materials. Such uses are particularly cost sensitive and therefore tend to locate in areas with low values. As a result, any demand is likely to be in well established, low grade industrial locations.

- 6.69 The construction sector is currently underrepresented in Sheffield relative to the regional average, accounting for just under 15,000 jobs, or 6% of the total employment base, compared to 7% across the region.
- 6.70 In Rotherham, the construction sector accounts for just under 10,000 jobs, or 10% of the total employment base. The sector has also demonstrated strong growth in Rotherham, increasing by 18% between 2000-2014, compared to 5% in Sheffield and 1% across the region.
- 6.71 Overall, growth in construction is likely to be moderate, driven by wider employment and population growth. The availability of low grade industrial units across Sheffield and Rotherham will also support growth, although this will be dependent upon the viability of development.

Growth Opportunities of Other Relevant Non-B Class Employment Uses

Public Administration

- 6.72 This sector includes local and central government activities, along with social services, job centres, the police, courts, defence, fire and other emergency services. Although some of this activity occurs within buildings classified as use class B1a, only a proportion actually occurs in commercially-available offices. It is only this generally-available and non-purpose built space which matters for estimating B-class future requirements and as a result the remainder is considered here under non-B class uses.
- 6.73 With approximately 15,000 workers in Sheffield (6% of the total employment base) and 6,600 jobs in Rotherham (7% of total employment) , this sector is strongly represented in absolute job terms, and is generally in line, although slightly higher, than regional averages (5%). Over the period 2000-2014, this sector experienced strong jobs growth particularly in Rotherham (where jobs doubled from 3,180 in 2000 to 6,660 in 2014), although the number of jobs has declined by 3% since 2011.
- 6.74 Given planned Government public sector expenditure cuts, it appears unlikely that there will be any significant jobs growth in this sector in the short/medium term. Overall, no job growth can be robustly justified for this sector and hence no requirement for additional land to accommodate it, with the potential for some site and premises releases resulting from budget cuts and service rationalisation.

Health

- 6.75 The health sector relates to primary and secondary care, delivered through GPs, care centres and hospitals. Locational drivers for this sector include the availability of large, lower-cost sites, as well as links with existing healthcare networks. Locations with good access to major metropolitan centres are often viewed as preferable.

- 6.76 The potential for growth in the health technologies and bioscience sector is discussed in detail above. Regarding growth in the primary and secondary care services of health (i.e. non-manufacturing/R&D), this sector accounts for the highest proportion of employment in the Sheffield, accounting for over 44,000 jobs, or 17% of total employment. In Rotherham, employment in healthcare also accounts for over 13,000 jobs, or 14% of the total employment base.
- 6.77 Whilst representation in healthcare is generally in line with regional averages (15%), employment growth in the health sector within Sheffield over the period 2000-2014 (+47%) has increased above the Rotherham (6%) and regional average (27%), suggesting that it is likely to remain an important sector likely to drive future economic growth. The opening of the Critical Care Unit at Sheffield's Northern General Hospital in 2009 is likely to have contributed to, or at the very least reflect, the strong job growth experienced in Sheffield within the healthcare sector.
- 6.78 Overall, the high levels of growth experienced in Sheffield in particular, suggests that health and social care will remain a strong growth area in terms of employment going forward in this sector. Nevertheless, the increase in healthcare jobs is likely to focus on existing healthcare locations and facilities and will have a very limited B-class component.

Residential Care

- 6.79 It has been acknowledged for a number of years that the current supply and form of housing nationally does not adequately meet the needs of a rapidly ageing society. It has been estimated that almost 420,000 people aged 65+ receive community-based care and support at home and more than 400,000 are resident in care homes.⁶⁸ This issue is becoming more and more pressing over time due to Britain's ageing population, with substantial gains in life expectancy above the age of 65.
- 6.80 According to the latest ONS 2012-based sub national population projections, the number of people over the age of 65 in Sheffield will only grow by 25% (+23,000 residents) between 2012 and 2028, compared to the predicted growth rate in Rotherham of 35% (+17,000 residents) and regional growth rate of 36%. These improvements in life expectancy are, however, not being matched by commensurate gains in disability-free longevity, leading to a greater absolute number of older people who may need care.
- 6.81 Despite Sheffield demonstrating lower levels of growth in the elderly population than the Rotherham and regional average, there will likely remain a need for additional care homes and extra care facilities in both areas over the coming years, albeit there will be a very limited B-class component to this growth.

⁶⁸ Age UK (May 2015), Later Life in the United Kingdom

Retail

- 6.82 Retail growth is related to population change and spending, as well as competing provision. Retailing is a significant employer in Sheffield (accounting for just under 27,500 jobs or 11% of the employment base) and Rotherham (accounting for just over 10,600, or 11%) and is generally in line with the amount that would be expected, based on regional averages (10%). Employment in retailing in Sheffield has, however, fallen by 8% between 2000 and 2014, at the same time in which Rotherham experienced a 12% growth.
- 6.83 In Sheffield, retailing is concentrated within Sheffield City Centre and the Meadowhall Shopping Centre. In planning policy terms, the City Centre remains the primary focus for new retail provision with the planned development of a New Retail Quarter. However, in recent years, out of centre comparison floorspace has increased due to a number of extended and new retail developments.
- 6.84 The 2014 Sheffield Retail Study Update concludes that the need for additional floorspace in Sheffield has fallen since the 2010 Study, owing to a combined impact of wider economic challenges and the growth of the internet and out of centre competition.⁶⁹ It is clear that there is a significant need for retail development in the City Centre in order to enhance its regional function.
- 6.85 In Rotherham, retail provision is concentrated in Rotherham town centre, with smaller concentrations in Dinnington, Maltby, Parkgate and Wath-upon-Dearne town centres. Rotherham also contains a range of out of centre retail parks, including Parkgate Shopping and is surrounded by many competing cities and towns, including Sheffield, Barnsley and Doncaster. The large out of town regional shopping centre of Meadowhall, located just beyond the borough boundary in Sheffield, also exerts a major influence.
- 6.86 Rotherham town centre has benefited from relatively little new retail investment in recent decades. The town centre has therefore (at best) effectively 'stood still' in retail terms for many years, whilst throughout the rest of the UK many new shopping centres have been built (eg. Meadowhall in 1990), and others have experienced significant expansion and improvements. Planning policy seeks to address this issue, focussing on the development of Rotherham centre in order to attract additional expenditure in this sector and retain spend within the borough through the Renaissance programme.
- 6.87 It is therefore considered that the retail sector provides moderate future potential for growth, dependent (to an extent) on the successful delivery of the New Retail Quarter in Sheffield City Centre and the Renaissance programme in Rotherham town centre. Such growth is considered alongside the strategy for directing employment uses to the city/town centres, and will not have significant implications for the location of, and demand for, B-class uses.

⁶⁹Sheffield City Council, (2014), Sheffield Retail Capacity Update 2014

Accommodation and Food

- 6.88 Employment in accommodation and food services accounts for a similar proportion of jobs in Sheffield (8%) and Rotherham (8%) as the regional level (9%), and has an important role within the local economy.
- 6.89 One third of Sheffield is located in the Peak District National Park, and most if not all City residents have excellent opportunities to access the surrounding countryside and associated recreation and leisure activities. Key assets include heritage landmarks such as Chatsworth House, Sheffield Winter Gardens, Millennium Gallery, Sheffield Arena, Pond's Forge, the English Institute of Sport, Ice Sheffield and the Crucible theatre and indoor climbing centres, as well as Meadowhall Shopping Centre which attracts visitors from within the region and beyond.
- 6.90 Sheffield also boasts the largest theatre complex outside London whilst the City's calendar of cultural events (and national and international conference centres), are gaining the City a reputation for culture and creativity, with increasing numbers of visitors to the major attractions reported in recent years. The City plays host to major national and international conferences, many of which choose to host events in Sheffield following on from the City's reputation and expertise in Advanced Manufacturing and associated fields. The Sheffield Economic Strategy seeks to do more to unlock the City's potential as a tourist destination, with resulting increases in employment and independent business growth.
- 6.91 Rotherham also benefits from a range of tourist assets including heritage sites such as Rotherham Minster, Wentworth Woodhouse and Holy Trinity Church, Rother Valley Park and the Magna Science Adventure Centre. The Growth Plan for Rotherham seeks to build on this offer, developing a nationally significant leisure development at Pit House West and capitalising on the Yorkshire Man of Steel as a landmark sculpture for the region.
- 6.92 Importantly, the cultural and lifestyle qualities which contribute to Sheffield and Rotherham's tourism industry also contribute the important lifestyle factors which are critical to attracting and sustaining those high value industries referred to above, such as Financial and Business Services, Advanced Manufacturing and Engineering, ICT, and Creative and Digital Industries all of which are predicted to offer strong to moderate growth.
- 6.93 Overall, tourism-related employment in Sheffield and Rotherham is expected to grow over time in response to the City's cultural and recreation assets, with implications for direct employment growth as well as providing a key opportunity to raise the area's national profile and encourage inward investment in associated high-value industries. Other than the indirect implications for the high value industries (as discussed above), direct employment in tourism related uses would, however, have a negligible impact upon demand for B-class premises.

Summary

6.94

Tables 6.1 and 6.2 below summarise the economic growth potential of different industrial sectors with respect to Sheffield and Rotherham.

Table 6.3 Economic growth potential of different industrial sectors with respect to Sheffield

Sector	Current Representation in Sheffield	Future Growth Potential in Sheffield
Financial / Professional Services	Moderate	Moderate/Strong
Wholesale, transport and logistics	Moderate	Low/Moderate
General Manufacturing	Moderate	Low/Moderate
Advanced Manufacturing	Strong	Strong
ICT	Low/Moderate	Moderate/Strong
Creative Industries/ Publishing /Media	Moderate/Strong	Moderate/Strong
Utilities/Environmental Technology	Moderate	Moderate/Strong
Healthcare/Biotechnology	Moderate	Moderate/Strong
Construction	Low	Moderate

Table 6.4 Economic growth potential of different industrial sectors with respect to Rotherham

Sector	Current Representation in Rotherham	Future Growth Potential in Rotherham
Financial / Professional Services	Moderate	Low/Moderate
Wholesale, transport and logistics	Moderate	Moderate/Strong
General Manufacturing	Moderate	Low/Moderate
Advanced Manufacturing	Strong	Strong
ICT	Low/Moderate	Low/Moderate
Creative Industries/ Publishing /Media	Low/Moderate	Low/Moderate
Utilities/Environmental Technology	Moderate	Moderate/Strong
Healthcare/Biotechnology	Moderate	Moderate/Strong
Construction	Low	Moderate

6.95

Despite the potential for moderate to strong growth in healthcare and tourism related employment, such sectors will have very limited implications or requirements for B-class employment premises and/or land.

6.96

Overall, therefore, Table 6.3 indicates that Sheffield is considered to have moderate/strong or strong future growth prospects in the following sectors:

- **Advanced Manufacturing;**
- Financial/Professional Services;
- ICT;
- Creative Industries/ Publishing /Media;
- Utilities/Environmental Technologies; and
- Healthcare/Biotechnology.

6.97 In Rotherham, moderate/strong or strong future growth prospects are also identified in:

- **Advanced Manufacturing;**
- Wholesale, transport and logistics;
- Utilities/Environmental Technologies; and
- Healthcare/Biotechnology.

6.98 This suggests that the growth prospects of Sheffield and Rotherham appear to be relatively strong, with the potential to capitalise on existing locational advantages and drive additional long term growth.

Conclusions

6.99 With respect to the future need for employment land and premises, the analysis above suggests a continuation of recent trends in a number of areas, and stronger future growth driven in particular by advanced manufacturing and related sectors including utilities/environmental technologies and healthcare/biotechnology.

6.100 In Sheffield, demand for high-grade commercial offices is likely to remain strong (in the medium and longer term), driven by moderate/strong growth in Financial and Professional Services; ICT; and Creative Industries/ Publishing/ Media industries. Demand for (B2) factory units will, however, reduce as (general) manufacturing industry continues to decline.

6.101 There remains some scope, and associated future floorspace requirements, for advanced manufacturing in Sheffield, linked to the Sheffield Business Park and the City's reputation and 'global brand'. Although demand for large scale distribution units in accessible and low cost locations may be difficult to provide in Sheffield due to the City's topography.

6.102 In Rotherham, the reverse pattern is likely to occur, with relatively low demand for office space, but growing demand for industrial units, particularly driven by the wholesale, transport and logistics sectors.

6.103 Industrial sectors including the advanced manufacturing industries, utilities/environmental technologies and healthcare/biotechnology are also anticipated to drive strong demand for industrial space, focussed in and around the AMP.

6.104

There are a number of sectors with high growth potential where Sheffield and Rotherham enjoy some locational advantages that leave the area well placed to compete for future opportunities. Both Sheffield and Rotherham have significant strengths in Advanced Manufacturing and Materials (AMM) and can build on its reputation and track record to provide strong growth in this sector in future years supported by the Sheffield City Region's Strategic Economic Plan. The growth prospects of Sheffield and Rotherham are therefore relatively strong, with the potential to drive further long term growth in key 'target industries'.

7.0 **Understanding Business Needs**

7.1 The Planning Practice Guidance⁷⁰ [Paragraph 30] identifies the need to ensure that Local Plans are underpinned by an understanding of business needs. In particular, it highlights the need to consider market intelligence – gathered through a range of approaches – in determining future requirements for employment space:

7.2 This ELR has been underpinned by – and its conclusions informed by – extensive engagement with local stakeholders and businesses, including the following methods of consultation:

- 1 Discussions with commercial property agents active in the study area;
- 2 Telephone interviews with key business and economic forums active within the local area;
- 3 A survey of business needs and views of the study area as a business location; and
- 4 A stakeholder workshop.

7.3 This section of the report provides a summary of the main findings emerging from items 2-4 listed above. It should be noted that the discussions held with commercial property agents were undertaken to inform Sections 4.0 and 5.0 and the key messages identified are reported within these sections.

Business Surveys

7.4 A survey of local businesses was undertaken during April and May 2015. The survey was promoted by the Chambers of Commerce – on behalf of SCC and RMBC – to all member businesses located in the area. Further prompts to businesses were subsequently sent out by the Chamber – and the deadline for responses extended – in a bid to maximise the response rate achieved.

7.5 Unfortunately, despite the best efforts of the Chambers of Commerce, SCC, RMBC and NLP, the response to the survey was disappointing, with just 12 completed surveys submitted. This clearly limits the extent to which meaningful conclusions can be drawn from any analysis of the results. However, it is important to note that this ELR does not rely solely upon the survey data to understand business needs. Rather, it draws upon intelligence gathered through a range of additional consultation approaches (including interviews and workshops with commercial agents and business and economic forums).

7.6 The key findings of the business survey are summarised in the following paragraphs. As outlined above, however, they cannot necessarily be considered to be representative of the business community as a whole.

⁷⁰ <http://planningguidance.planningportal.gov.uk/>

Business Background

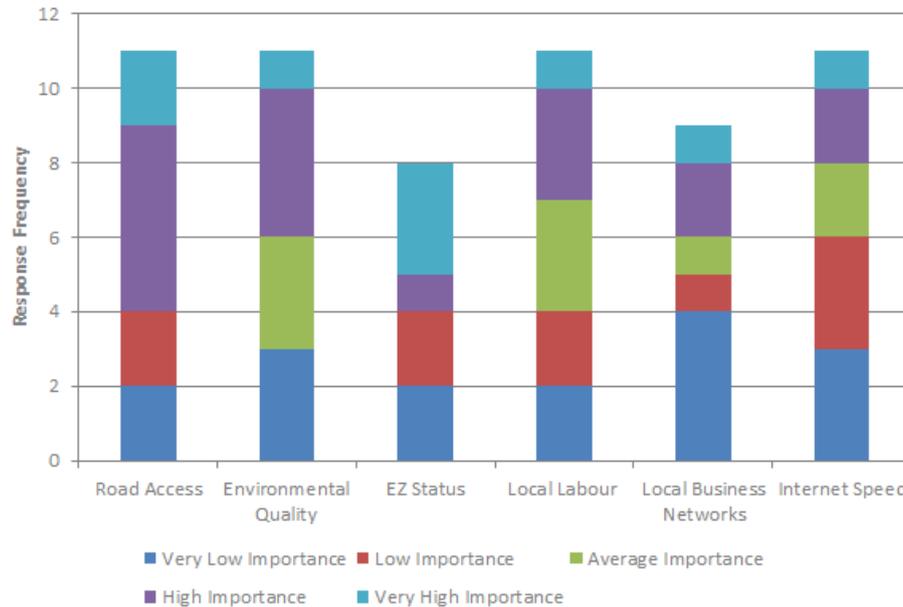
- 7.7 The location of respondents was heavily skewed towards Rotherham, with 11 completed surveys submitted by firms based in the Borough compared to just one response from a Sheffield-based business.
- 7.8 The industrial strength of the study area was reflected in the profile of participants. 5 respondents classified themselves as advanced manufacturing businesses, with general manufacturing (3) and engineering (2) accounting for a further 5 responses.
- 7.9 Businesses ranged in size from one with just 3 people working at their location in Sheffield/Rotherham to another with 220 people. Within this range, the majority of respondents were towards the smaller end of the spectrum, with six firms indicating indicated that they employ fewer than 20 people and just one employing in excess of 100.
- 7.10 The majority of respondents indicated that they are operating and competing on a national or international scale. In total, 10 businesses stated that the majority of their customer base is national (5) or international (5). In addition, a total of 9 firms suggested that the majority of their competitors were national (6) or international (3).

Current Premises

- 7.11 Businesses were asked to classify their current location. The majority of respondents (5) indicated that they occupy premises on an industrial estate, followed by individual urban industrial sites (2) and business/office parks (2). One further respondent indicated that they occupy premises on the Advanced Manufacturing Park. The bias within the sample towards industrial premises is clearly a reflection of the profile of respondent businesses, who are largely engaged in manufacturing and engineering-based activities.
- 7.12 9 of the 12 respondents had relocated to their current premises from elsewhere. Of those relocating businesses, the majority (7 from 9) had moved within Sheffield and Rotherham, with the remainder (2 from 9) having been previously located in North Derbyshire. Whilst the sample size is too small to enable any firm conclusions to be drawn, the pattern of business movements implied by the business survey would appear, generally, to reflect the broader sphere of influence of the study area in economic and commercial market terms as acknowledged by the geographical extent of the Sheffield City Region LEP.
- 7.13 The survey sought respondents' views on those factors that had influenced their decision to move to or locate in Sheffield/Rotherham. The six most significant issues identified are summarised in Figure 7.1. The graph illustrates that accessibility by road and the environmental quality of an occupiers' wider business park/industrial estate play a key role in shaping investment decisions.
- 7.14 Unsurprisingly, those business located on EZ sites such as the Advanced Manufacturing Park identified the EZ status of their location – and the profiling

and financial benefits that accompany this – as being of very high importance to their decision.

Figure 7.1 Factors Influencing Locational Decisions



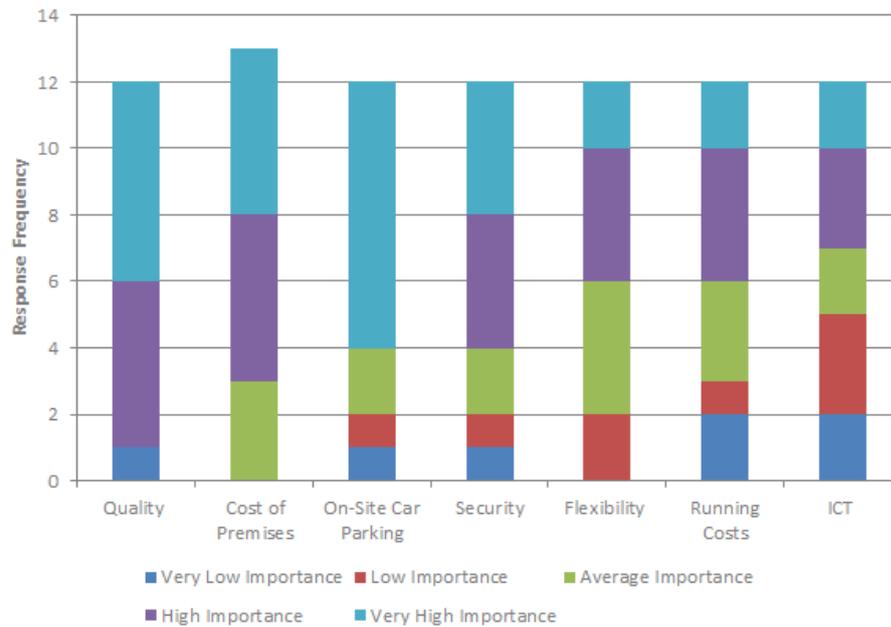
Source: NLP Business Survey

7.15 This is broadly consistent with respondents' views regarding the advantages of Sheffield and Rotherham as a business location. Indeed, the area's proximity to the strategic road network was clearly identified as the single biggest advantage of the study area, with participants also recognising the positive impact of the following:

- The profile of Sheffield and Rotherham as a focus for advanced manufacturing and engineering activity, coupled with the area's commitment to support the continued growth of the sector;
- Proximity to the research capabilities of Sheffield University; and
- The support offered to businesses by agencies such as RIDO and Creative Sheffield.

7.16 The views of respondents were also sought on those factors that had influenced their selection of their current premises – in favour of other space that may have been available at the time. A summary of all responses is provided in Figure 7.2. This illustrates, quite clearly, that the quality and cost of space were critical in underpinning the decision of participant firms. In addition, the availability of on-site car parking and security issues were also prominent considerations. It must, however, be recognised that this analysis is based upon a very small sample of responses and may not therefore be representative of the views of the wider business community in Sheffield and Rotherham.

Figure 7.2 Factors Influencing Premises Selection



Source: NLP Business Survey

7.17 The survey sought feedback from businesses regarding the quality and suitability of their existing premises. 7 of the 12 participating firms rated their premises as good or excellent, with 1 additional firm indicating that their premises were considered to be of average quality. A number of the more positive respondents stated that their premises had been purpose-built specifically to accommodate their operational needs.

7.18 4 of the 12 businesses suggested that their current building provides the correct amount of space to meet their needs, whilst a further 3 respondents indicated that they have additional, spare space. However, 4 participants stated that their current premises provide insufficient space to meet their business needs – although 3 of these businesses still considered their premises to be of a good quality.

7.19 Businesses were asked whether they had previously experienced any difficulties in finding suitable premises to expand, upgrade or relocate to within the local area. 8 participants responded to this question, with 5 indicating that they had experienced problems. Particular challenges identified by participating firms included: a shortage of available and realistically priced industrial premises of the requisite quality; difficulties in identifying premises that matched a firm’s particular requirements (high quality office space with a small proportion of ancillary industrial space); and limited access to grant finance.

Future Premises

7.20 The survey data indicates that 7 of the 12 participants expect their business to expand over the next few years, resulting in a need for additional land or

floorspace. All of those businesses anticipating future growth classified themselves as operating within the manufacturing or engineering sectors.

- 7.21 Based upon an analysis of the survey responses, the growth of these 7 firms could be expected to create demand for approximately 8ha of employment land, although 4 of 7 the firms indicated that they have sufficient expansion land to accommodate this growth on or adjacent to their existing site.

Stakeholder Interviews

- 7.22 Telephone interviews were undertaken with a selection of local and regional property agents, developers and local business and economic forums active within Sheffield and Rotherham, in order to ascertain current views on the area's office and industrial markets. The feedback received can be summarised as follows:

Offices

Sheffield

- Over the last 5 years, stakeholders indicated that office take up in Sheffield has been relatively strong and concentrated mainly within the City Centre.
- Demand for City Centre office space has been driven primarily by professional services, including the legal, financial, recruitment and business services sectors, with key occupiers including HSBC, Santander, Aviva and RBS. Activity has been focussed within the Cathedral Quarter, St Georges and the recently redeveloped Heart of the City.
- Property agents commented that high quality, Grade A office space ranging from 10-20,000 sqft is in high demand, with limited space now available. In recent years, poor quality office stock has often been re-developed into residential uses, resulting in a lack of supply.
- Low levels of available Grade A office accommodation is considered to be preventing further growth in office-based sectors within Sheffield City Centre, although viability issues resulting from relatively low rental values present a challenge in terms of encouraging further development.
- The creative industries have also driven demand in the City Centre, although this has typically been for smaller, start-up provision and incubator space. This demand has recently been accommodated within purpose built sites at Electric Works, Workstation, Sheffield Technology Park and Park Hill.
- A lack of follow-on growth space, however, was identified as an issue for the creative industries, with offices ranging from 2,000-3,000sqft in highest demand. Key sub-sectors driving demand include digital and software development, web design and e-learning.

- In out of town locations, property agents also highlighted a depleting stock of high quality office sites surrounding the City Centre ring road, Meadowhall and the Sheaf Valley. Sectors driving demand of out of town space include business processing services and call centre operations seeking larger units with car parking spaces.
- Public transport links, a large workforce and the presence of two Universities remain a key selling point for the Sheffield office market. Access to the A57, A61 and M1 is also important, facilitating in-migration from the surrounding conurbations for work.

Rotherham

- Over the last 5 years, stakeholders indicated that demand and take-up of office space in Rotherham has been relatively low.
- Areas in which office take-up has been concentrated include Rotherham town centre and out of town locations such as the Dearne Valley, Dinnington and Maltby.
- In the town centre, office locations are concentrated within the traditional Moorgate area, including the legal, financial and professional services sectors. Property agents highlighted, however, that new take up of these period properties was low, with occupiers typically seeking more modern, energy-efficient space. Take up at the recently refurbished Phoenix Business Centre and Fullerton Court within the City Centre, providing modern business space has, however, attracted limited interest.
- Out of town office activity has largely been driven by call centres and business processing services, particularly in the Dearne Valley. Key call centre occupiers include Capita, which represents the largest private sector employer in Rotherham, providing c.5,000 jobs.
- Smaller business parks at Dinnington and Maltby include a range of smaller, indigenous businesses including creative industries, IT, digital and media, business services and administrative sectors. Occupation of established sites in these areas has been steady, although demand for new sites is considered to be low.
- Agents indicated that Rotherham is primarily viewed by investors as an industrial area, with limited interest from national professional services firms. However, plans to redevelop the Forge Island area to potentially include a range of leisure uses are anticipated to improve the attraction of the town centre as an investment location.

- Stakeholders highlighted a number of key challenges for Rotherham in attracting a higher level of office occupation, including low rental values limiting new development potential and competition from nearby University cities such as Sheffield and Leeds in terms of skills. Access to a large workforce and the availability of out of town office sites with access to car parking and strategic road links has encouraged the development of out of town call centres, although high-value office occupiers such as financial services have typically been concentrated elsewhere in the region.

Industrial

Sheffield

- The industrial market in Sheffield has been strong over the past 5 years, driven largely by traditional metal manufacturing and the spin-out effects of the Advanced Manufacturing Park (AMP) in Waverley.
- Stakeholders identified a number of key assets supporting this growth, including the presence of two Universities, access to a large workforce and Sheffield's reputation as a key location for manufacturing and subsequent established supply chain.
- Sheffield University was also viewed as playing a key role in supporting the growth of advanced manufacturing, with the development of the Advanced Manufacturing Research Centre within the AMP, providing world-class research facilities.
- Spin out developments from the AMP in Waverley, including Sheffield Business Park have formed a cluster of advanced manufacturing firms, with key occupiers including (*inter alia*) Siemens, Ansys Fluent Europe and ITM Power Research Ltd. Key sub-sectors developing within this area include metallic and composite materials, precision engineering, low carbon energy and oil & gas.
- Take up of space within Sheffield Business Park indicates a clear market for further development of modern industrial units. The wider masterplan for Waverley is considered to provide sufficient capacity for advanced manufacturing growth.
- Despite a decline in manufacturing employment, traditional metal manufacturing industries and logistics sites remain strong in the Upper and Lower Don Valley and the Sheaf Valley. Large, low cost units with good access to the road network and a large workforce form the main attraction of these areas, with a steady take-up of units.

- Issues relating to the availability and remediation costs of developing new industrial units were raised as a key challenge for Sheffield going forward. The Lower Don Valley in particular, was identified by agents as having limited supply of day-to-day industrial units. The overall consensus of the property agency sector was that there remains a shortage of good quality modern industrial buildings in the size range 10-50,000 sqft.

Rotherham

- Growth in the industrial market in Rotherham in recent years was considered by stakeholders to be strong. Key sectors driving this growth include advanced manufacturing, third party logistics and discount retail warehousing.
- Growth in Advanced manufacturing in particular, has been supported by the development of the Advanced Manufacturing Park in Waverley. The development of on-site research centres, coupled with strict criteria for inclusion within the park has supported the clustering of such activities and enhanced the reputation of the local area as a location for advanced manufacturing.
- Stakeholders indicated that key assets supporting this growth included Rotherham's reputation as a manufacturing location, established supply chains and business networks, close proximity to both the M1 and M18 and access to a large workforce. Key occupiers such as Rolls Royce, Boeing, NSF DBA and TWI (inter alia) have also formed a key attraction for supply chain organisations and other advanced manufacturing businesses.
- Factors identified as inhibiting growth, however, included a shortage of small to medium sized high quality industrial units. Recent speculative developments including Evolution @ the AMP which provides modern units ranging from 2,500 - 27,000sqft and Revolution @ the AMP which provides modern flexible industrial space from 10,000 - 50,000sqft have experienced strong take-up, indicating a high level of demand for such sites.
- For logistics and warehousing space, key clusters of activity are focussed in Templebrough, Bramley, Dinnington and the Dearne Valley. With its strong access to J34 of the M1, Templebrough, in particular, has formed a key location for logistics, attracting recent investment from Parcelforce at the Magna 34 development.
- Day to day industrial stock was, however, identified as being in short supply. Property agents estimated that there remained only an 18 months' supply of space for the logistics sector, with high demand for medium and larger scale industrial units. Whilst it was recognised that Rotherham offered an abundance of land, key challenges raised included high remediation costs and low yields for development within the traditional manufacturing areas.

Stakeholder Workshop

- 7.23 A Stakeholder Workshop was held on the 29th July 2015 to help draw upon the views and experience of a broad range of stakeholders. This included: Council Officers; local business and economic forums; and locally active developers and commercial agents. The session was also used to discuss, in broad terms:
- The role and function of Sheffield and Rotherham within the wider South Yorkshire context with respect to economic and commercial markets;
 - The future growth prospects of the economies of Sheffield and Rotherham (and any potential constraints to growth) and ways in which the authorities should respond to such opportunities in employment land terms; and
 - The range of employment land requirements modelled by NLP and the future level of demand that the authorities should plan for.
- 7.24 The workshop was facilitated by NLP and attended by a range of stakeholders from the public and private sector including representatives from a range of neighbouring LPAs. A full list of those invitees and attendees can be found at Appendix 1.
- 7.25 The session comprised of a presentation by the study team, followed by a structured discussion. The paragraphs below provide a summary of the key messages that emerged from the event:

Context

- Major schemes in the area, such as the Advanced Manufacturing Park and St. Paul's were dependent upon public sector funding in order to support the viability of the development.
- Whilst demand for new space is evident, viability remains a key challenge in the context of reduced rental values and public sector funding has helped to overcome this in many instances.
- Within the next 5 years, stakeholders expect conditions to improve and stimulate a higher level of development than experienced in recent (post-recession) years.
- Developers are already receiving enquiries that are beginning to give them the confidence to consider some speculative development.
- Recent take-up levels at the Advanced Manufacturing Park – particularly for units of c.15,000 sq.ft. – demonstrates the renewed interest from the market.

Growth Scenarios: Sheffield

- The development of the Sheffield International Rail Freight Terminal (SIRFT) highlights the need to ensure there is enough flexibility and site availability to support growth. Such developments are difficult to pre-empt and, critically, even more difficult to accommodate unless some allowance in the portfolio has been made for large scale development.
- Logistics is now considered a target sector for the Sheffield, resulting in the need for large scale sites to accommodate footloose occupiers. It was, however, recognised that the City may have difficulties in identifying the land required to successfully compete for demand from the sector.
- As a minimum, the City should be planning to allocate enough land to accommodate take-up of 10ha per annum, with stakeholders pointing out that 10ha or more can be taken up by a single, large scheme.

Growth Scenarios: Rotherham

- Stakeholders from Rotherham indicated there has been a lot of recent public investment in Rotherham to prepare sites for development. This resulted in a less pronounced slow-down in take-up following the onset of recession, with a greater quantity of available sites helping to sustain strong demand for land around the M18 and M1 corridor.
- Stakeholders recognised that Rotherham benefits from a number of large sites that are well located to the strategic road network and that this could help the Borough in competing for demand from the logistics sector. However, it was suggested that the area does suffer from a shortfall in readily available units to accommodate large logistics occupiers. Addressing this would help to enhance the Borough's appeal with respect to this particular sector.

7.26

The data used to project future demand (under the past take-up scenario) covers the period 2006 to 2014. Whilst it was recognised that this is due to the availability of data, stakeholders did raise concerns that the data could be unduly influenced by post-recession levels of activity, which could – in turn – dampen down any projections of future demand.

8.0 **Future Employment Space Requirements: Sheffield**

8.1 This section considers future economic growth needs in Sheffield by drawing upon several methodologies that reflect the requirements of the PPG. These scenarios are used to inform the assessment of the City's future employment land needs for office and industrial (i.e. manufacturing and warehousing) uses.

Methodology

8.2 Paragraph 32 of the *Housing and Economic Development Needs Assessment* section of the PPG advises that “local authorities should develop an idea of future needs based on a range of data which is current and robust.” In particular, it recommends that Plan makers consider a variety of forecasting techniques:

- 1 Sectoral and employment forecasts and projections (labour demand);
- 2 Demographically derived assessments of future employment needs (labour supply techniques);
- 3 Analysis based on the past take-up of employment land and property and/or future property market requirements; and
- 4 Consultation with relevant organisations, studies of business trends, and monitoring of business, economic and employment statistics.

8.3 Within this context a number of potential future scenarios are considered within this section in order to provide a framework for assessing future B class employment space requirements in Sheffield over the period 2015-2031. The quantitative forecasting techniques applied clearly align with items 1-3 outlined above as suggested by the PPG:

- a Baseline employment forecasts (**labour demand**) produced by Experian Business Strategies;
- b Policy-on employment forecasts (**labour demand**) sourced from the Sheffield City Region FLUTE model developed by Ekosgen;
- c Consideration of **past take-up of employment land and property** based on monitoring data collected by Sheffield City Council; and
- d Estimated future growth in the local **labour supply** – and the jobs and employment space that this could be expected to support – having regard to population projections taken from the City's Strategic Housing Market Assessment.

8.4 All of these approaches have their own individual strengths and limitations. As such, consideration needs to be given as to how appropriate each is to the circumstances in Sheffield. Further, to be robust, the economic growth potential and likely demand for employment space in the City needs to be

assessed under a variety of future scenarios in order to reflect both lower and higher growth conditions that could arise over the study period.

- 8.5 It should also be noted that the ultimate judgement as to the level of need that SCC should plan for is not purely quantitative. Indeed, a number of qualitative factors must also be taken into consideration (as discussed in other sections of the report). These factors, which have been identified through an analysis of economic and market conditions – as well as through extensive consultation with local businesses, commercial agents and economic stakeholders – will influence the employment space requirements that need to be planned for and must be considered alongside the following modelled scenarios (item 4 as outlined above).

a. Baseline Employment Forecast

- 8.6 SCC commissioned Experian Business Strategies, in Spring 2015, to produce a baseline forecast of employment growth in the City over the period 2015-2031. These forecasts – disaggregated by sector – reflect recent trends and economic growth projections at the national and regional level. They also take into account how sectors in Sheffield have performed relative to regional growth rates in the past.
- 8.7 The forecasts are not constrained by labour or land supply. In addition, whilst stated government policy is considered by Experian in order to help frame the future macroeconomic outlook, the forecasts do not take account of any: local policy interventions; planned major developments; or infrastructure changes at the local/regional level.
- 8.8 Econometric forecasts of this nature tend to be most reliable at the regional and national level and less so when considering local economies. Nevertheless, they provide a valuable input by indicating the broad scale and direction of economic growth in different sectors, thereby helping to assess future land requirements.
- 8.9 These projections indicate an overall growth of 40,500 jobs in Sheffield over the 16 year study period – equivalent to around 2,530 additional jobs per annum. Table 8.1 provides a summary of those sectors expected to experience the largest absolute increases and reductions in employment.

Table 8.1 Fastest Growing and Declining Sectors in Sheffield (2015-2031)

Sector	Use Class	Additional Jobs (2015-2031)
Health	RED	+8,570
Education	RED	+5,980
Admin. & Support Services	ORANGE	+5,080
Residential Care & Social Work	RED	+3,100
Specialised Construction Activities	ORANGE	+3,000
Professional Services	GREEN	+2,720
Public Admin. & Defence	ORANGE	-380
Printing & Recorded Media	GREEN	-410
Other Manufacturing	GREEN	-510
Metal Products	GREEN	-1,430
Total		+40,500⁷¹

Source: Experian Business Strategies (Spring 2015) / NLP analysis

Key: GREEN = B class sector ORANGE = Part B class sector RED = Non B class sector

- 8.10 This analysis indicates that the strongest growth in employment over the period to 2031 is anticipated to be observed in sectors that are unlikely to generate a significant requirement for B class space: health; education; and administrative and support service activities. Growth of 2,720 jobs is, however, anticipated in the professional services sector.
- 8.11 Sectors forecast to experience the largest employment losses over the period include: metal products; printing and recorded media; public administration and defence; and other manufacturing.
- 8.12 The total employment change anticipated in Sheffield under the baseline scenario is shown in Table 8.2, alongside the forecast job growth in each of the B class sectors. This includes an allowance for jobs in other non-B class sectors that generally use office or industrial space (Appendix 2).

⁷¹ Total employment, including sectors not listed in the table, where lower rates of change are forecast. A full breakdown of the Experian employment projections is provided at Appendix 3.

Table 8.2 Baseline Forecast Employment Change in Sheffield (2015-2031)

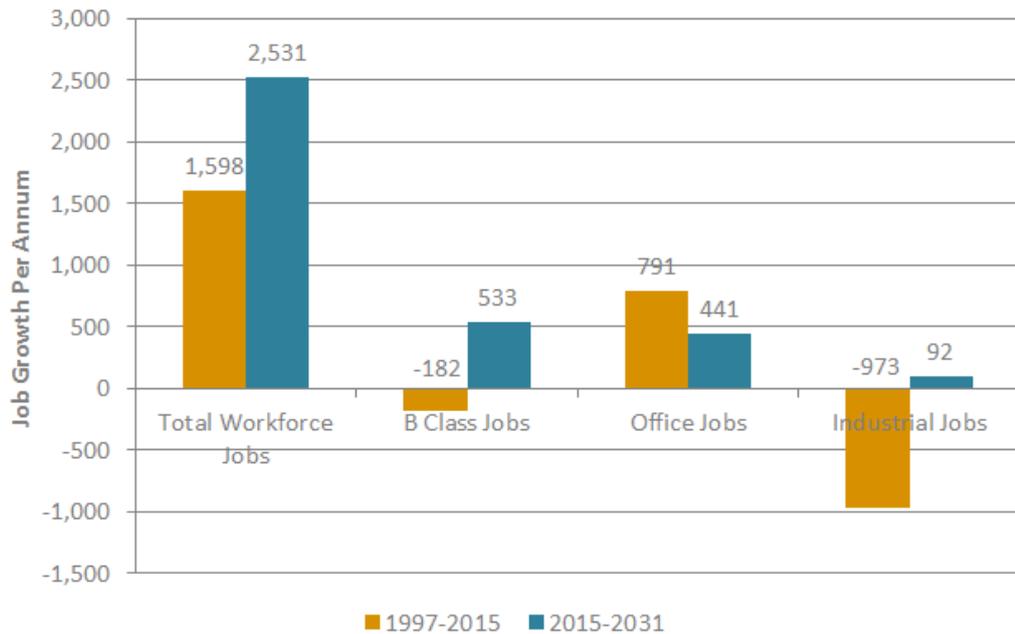
	Jobs (2015)	Jobs (2033)	Change (2015-2033)
Offices (B1a/B1b)	56,590	63,655	+7,065
Manufacturing (B1c/B2)	33,905	32,470	-1,435
Warehousing/Distribution (B8)	19,820	22,725	+2,905
Total B Class Jobs	110,315	118,850	+8,535
Total Jobs (All Sectors)	283,420	323,920	+40,500

Source: Experian Business Strategies / NLP analysis

NB: figures may not sum due to rounding

- 8.13 The overall level of employment growth (40,500) forecast by Experian corresponds to approximately 2,530 additional jobs per annum. This rate of growth is significantly higher than the rates observed over the period 1997-2015 (1,600 additional jobs per annum). Similarly, the Experian forecasts assume that B class jobs will increase by an average of 530 per annum, which compares with a historic contraction of 180 jobs each year over the period 1997 to 2015.
- 8.14 Within the context of past performance, therefore, the forecasts could be considered to be optimistic. However, it should be acknowledged that the past trends reflect the impact of the 2008/09 recession and the subsequent sluggish recovery. In addition, it can be seen from Figure 8.1 that office growth is projected to be significantly lower under the baseline forecast than past trends. The upturn in projected B class employment is being driven by an assumed improvement in the performance of the industrial sectors, with a modest increase of 90 jobs per annum forecast, in comparison with historic declines of 975 per annum. Given the emphasis being placed upon the advanced manufacturing sector as a key growth opportunity, within policy and strategy documents at the local and LEP level, it does not seem unreasonable to assume that a shift in the employment performance of the industrial sectors could be observed over the Plan period.

Figure 8.1 Annual Job Growth Implied by Baseline Forecast (2015-2031)



Source: Experian / NLP analysis

NB: Industrial jobs includes B1c/B2 and B8 uses

8.15 The growth in B class employment anticipated under the baseline forecast has been converted into a net future employment space requirement by applying the following average employment densities:

- **Offices:** 1 job per 12.5sq.m. for general office space;
- **Industrial:** 1 job per 43sq.m. as an average across B1c and B2 uses; and
- **Warehousing/Distribution:** 1 job per 65sq.m. for general, smaller scale warehousing (assumed to account for 40% of future space) and 1 job per 74sq.m. for large scale, lower density units (assumed to account for 60% of future space).

8.16 These assumptions are based upon the latest HCA/OffPAT guidance on employment densities, published in 2010⁷². The guidance takes into account recent trends relating to the changing use of employment space, with the main change being the more efficient use of office space through hot-desking and flexible working.

8.17 An allowance of 10% is added to all floorspace requirements to reflect normal levels of market vacancy in employment space. Where a reduction in employment is forecast (e.g. manufacturing) the associated negative floorspace has been halved. This reflects the fact that whilst there may be ongoing manufacturing job losses, it does not necessarily and automatically follow that all of the associated existing employment land will be lost.

⁷² Based upon the HCA/OffPAT Employment Densities Guide (2010) and converted to Gross External Area and total workforce jobs by NLP

- 8.18 The relationship between job growth and floorspace in relation to the manufacturing sector is particularly complex. Indeed, whilst manufacturing employment fell by almost 20,000 jobs in Sheffield between 1997 and 2015, strong demand for new B1c /B2 employment space was still observed with more than 110ha of employment land (gross) developed for manufacturing uses. It is recognised that this was – in part – offset by losses to non-B class sectors. Nevertheless, the data still demonstrates the complexity of the relationship between manufacturing jobs and the demand for manufacturing space at the local level.
- 8.19 In addition, the baseline forecast produced by Experian projects that the GVA generated by the manufacturing sector within Sheffield will increase by £185m between 2015 and 2031. This would indicate that the City’s manufacturing sector will continue to perform well in terms of economic output, perhaps in part through a shift towards higher value activity through increased automation and the adoption of more efficient production techniques. As such, it is considered unlikely that the forecast decline in manufacturing employment will give rise to a commensurate reduction in demand for B1c/B2 space.
- 8.20 Table 8.3 provides a summary of the net floorspace requirements, by use class, generated as a result of the methodology described above.

Table 8.3 Baseline Employment Forecast: Net Employment Space Requirements in Sheffield (2015-2031)

	Floorspace (sq.m.)
Offices (B1a/B1b)	+97,155
Manufacturing (B1c/B2)	-30,875
Warehousing/Distribution (B8)	+224,920
Total	291,200

Source: Experian / NLP analysis

NB: figures may not sum due to rounding

b. Policy-ON (FLUTE) Employment Forecast

- 8.21 In addition to the baseline scenario described above, the employment space implications associated with a policy-on forecast have also been considered by NLP. At the request of SCC, the employment forecasts modelled as part of the Sheffield City Region FLUTE (Forecasting the interactions of Land-Use, Transport and Economy) model have been used to underpin the scenario.
- 8.22 It is understood that the FLUTE model has been commissioned by the Sheffield City Region LEP in order to provide a strategic, LEP-wide approach to planning and evaluating major investment proposals on a consistent basis.
- 8.23 The FLUTE model is underpinned by independent forecasts commissioned by the Sheffield City Region LEP. It is understood that the forecasts take, as their

starting point, the LEP aspiration (as outlined in the SEP) to create 70,000 additional jobs across the LEP area over the period 2013-2024⁷³. The forecasts were commissioned to consider the likely disaggregation of this level of job growth (by sector and local authority).

- 8.24 In addition, it is understood that the FLUTE modelling work assumed that the target of 70,000 jobs would be delivered through a general and broad-based improvement in local economic conditions in the event that the Sheffield City Region LEP is allocated the funding, freedoms and flexibilities that the organisation requested through the SEP and will continue to request in subsequent funding rounds.
- 8.25 The employment forecasts generated through the FLUTE model anticipate that 25,225 jobs could be created within Sheffield between 2013 and 2024 under such a scenario. Given that the forecasts only cover the period 2013-2024, it was necessary to adjust these in order to derive an estimate of job growth over the period 2015-2031. In order to do so, NLP annualised employment change by sector for Sheffield (as forecast by the FLUTE model) and projected this forward, on a pro-rata basis. This gives rise to a projected increase of 36,690 jobs over the study period.
- 8.26 Given that the original FLUTE figures are based upon a general and broad-based uplift in economic performance (as opposed to project-based assumptions where impacts are less likely to follow a linear trajectory) such an approach is considered reasonable. Clearly, however, the results must be interpreted with a degree of caution.
- 8.27 Table 8.4 provides a summary of projected employment growth over the period 2015-2031. The figures have been derived by NLP – using the methodology described in the preceding paragraphs – and are underpinned by the FLUTE job growth forecasts to 2024.

⁷³ Employment forecasts produced by Ekosgen

Table 8.4 Projected Employment Change by Sector (2015-2031)

Sector	Use Class	Additional Jobs (2013-2024)	Additional Jobs (2015-2031)
Financial & Professional Services	GREEN	+6,100	+8,870
Creative & Digital Industries	GREEN	+4,125	+6,000
Business Services	GREEN	+3,500	+5,090
Retail	RED	+3,200	+4,655
Advanced Manufacturing	GREEN	+2,800	+4,075
Sport, Leisure & Tourism	RED	+2,800	+4,075
Health	RED	+2,800	+4,075
Logistics & Transport	ORANGE	+1,800	+2,620
Other	RED	+1,300	+1,890
Construction	ORANGE	+1,000	+1,455
Education	RED	+800	+1,165
Low Carbon	GREEN	+500	+725
Medium-Low Tech Manufacturing	GREEN	-1,900	-2,765
Public Administration	ORANGE	-3,600	-5,235
Total		+25,225	+36,690

Source: FLUTE Model / NLP analysis

Key: GREEN = B class sector ORANGE = Part B class sector RED = Non B class sector

8.28 From the table it can be seen that the FLUTE model assumes that the strongest growth in employment over the period to 2031 will be observed in: financial & professional services; creative & digital industries; business services and retail. The advanced manufacturing sector is also anticipated to experience strong employment growth. Employment increases in all of the aforementioned sectors (with the exception of retail) would be expected to generate demand for B class premises. Indeed, in contrast with the baseline forecasts, the FLUTE modelling assumes that the B class sectors will play a far greater role in driving employment growth in the City.

8.29 It can also be seen from the table that a decline in employment is anticipated in the sectors of: medium-low tech manufacturing; and public administration. The former would ordinarily be expected to occupy B class employment premises, whilst the latter would ordinarily be expected to generate *some* demand for B class space.

- 8.30 The total employment change anticipated to occur in Sheffield under the Policy-On scenario is shown in Table 8.5. This has also been disaggregated for each of the B Class sectors.

Table 8.5 Policy-On Employment Change in Sheffield (2015-2031)

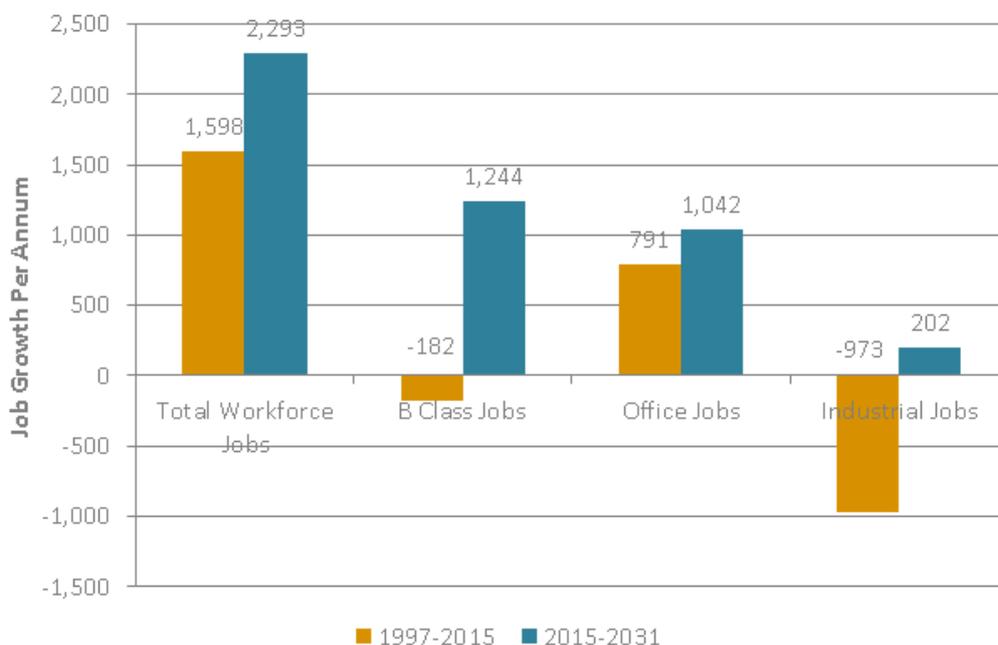
	Jobs (2015)	Jobs (2031)	Change (2015-2031)
Offices (B1a/B1b)	56,590	73,260	+16,670
Manufacturing (B1c/B2)	33,905	36,295	+2,390
Warehousing/Distribution (B8)	19,820	20,665	+845
Total B Class Jobs	110,315	130,220	+19,905
Total Jobs (All Sectors)	283,420	320,110	+36,690

Source: FLUTE model / NLP analysis

NB: figures may not sum due to rounding

- 8.31 Whilst the Policy-On scenario projects a lower level of total jobs growth than the baseline forecast (36,690 compared to 40,500) the Policy-On figures are underpinned by a far stronger uplift in B class employment. Indeed, the 19,905 B class jobs forecast under the Policy-On scenario is more than double the 8,530 projected by Experian.
- 8.32 As with the baseline forecast, the Policy-On modelling assumes that the majority of B class growth will occur in office-based sectors (albeit at a far higher level under the latter). Both scenarios also assume an increase in warehousing and distribution jobs, although the absolute level of growth assumed under the Policy-On scenario is far more modest (845 jobs) than under the baseline (2,905 jobs).
- 8.33 In contrast with the baseline forecast (which projects that manufacturing will decline by 1,435 jobs over the Plan period), the Policy-On scenario is underpinned by positive growth in the sector (2,390 jobs). This more positive outlook in relation to manufacturing jobs would appear to better align with the views of local stakeholders, as well as policy and strategy priorities at the local and LEP area level.
- 8.34 Figure 8.2 compares the Policy-On employment projections against past trends. From this it can be seen that the projected increase of 19,905 B class jobs translates to approximately 1,245 additional B class jobs per annum. This is significantly higher than past performance, with the city losing 180 B class jobs per annum between 1997 and 2015. Whilst a relatively small upturn in performance is anticipated in relation to office jobs, the most dramatic swing is projected to be observed in relation to industrial.

Figure 8.2 Annual Job Growth Implied by Policy-On Forecast



Source: FLUTE model / NLP analysis

NB: Industrial jobs includes B1c/B2 and B8 uses

8.35 Assessed within the context of past trends, the Policy-On forecasts could therefore be viewed as optimistic. As discussed in relation to the baseline scenario, however, it is important to recognise the emphasis being placed upon the advanced manufacturing sector as a key growth opportunity. As such, it does not appear unreasonable to assume that the employment performance of the industrial sectors could improve considerably over the Plan period.

8.36 The growth in B class employment anticipated under the Policy-On scenario has been converted into net future employment space requirements using the same methodological approach outlined in respect of the baseline scenario. The results of this exercise are summarised in Table 8.6.

Table 8.6 Policy-On Employment Forecast: Net Employment Space Requirements in Sheffield (2015-2031)

	Floorspace (sq.m.)
Offices (B1a/B1b)	229,220
Manufacturing (B1c/B2)	113,165
Warehousing/Distribution (B8)	65,280
Total	407,665

Source: FLUTE Model / NLP analysis

NB: figures may not sum due to rounding

c. Past Take-Up Rates

- 8.37 Because they reflect demonstrable market demand, as well as development patterns ‘on the ground,’ long term take-up rates can – in some instances – provide a reasonable basis for estimating future land needs. Completions data spanning a period of approximately ten years or more should even out demand fluctuations over a business cycle. As such, they would ordinarily provide a reasonable starting point for estimating future needs in the event that supply has not been unduly constrained over the period.
- 8.38 Whereas employment forecasts express growth in net terms, analysis of past take-up takes into account development that offsets the redevelopment of employment sites and the recycling of sites.
- 8.39 Monitoring data on past take-up of B class uses in the City over the period 1989 to 2014 (inclusive) was provided by SCC⁷⁴. This shows that gross take-up of employment land in Sheffield averaged 12.1ha per annum (equivalent to approximately 48,400sq.m of floorspace). Over the same period, losses of employment land were in the order of 6.7ha per annum, giving rise to an average net take-up figure of 5.4ha per annum (equivalent to approximately 21,600sq.m of floorspace). The net take-up figures by use class, as derived in Section 5.0, are summarised below for information:
- Offices (B1a/b) = -0.6ha p.a.;
 - Manufacturing (B1c/B2) = 4.6ha p.a.; and
 - Warehousing/Distribution (B8) = 1.4ha p.a.
- 8.40 Whilst all data was provided on the basis of hectares of land, this has been converted by NLP – using the same plot ratios detailed later in this section – into floorspace. This has been done to ensure that the employment space estimates generated under the past take-up scenario are directly comparable with those derived using the labour demand and labour supply techniques considered elsewhere in this section.

Table 8.7 Past Take-Up of Employment Space in Sheffield (1989-2014)

	Average Annual Net Completions (sq.m.)	Average Annual Gross Completions (sq.m.)
Offices (B1a/B1b)	-2,340	6,060
Manufacturing (B1c/B2)	18,180	29,780
Warehousing/Distribution (B8)	5,750	12,550
Total	21,595	48,395

Source: SCC / NLP analysis

NB: figures may not sum due to rounding

⁷⁴ It should be noted that this data has not been independently verified or interrogated by NLP

- 8.41 One view of future growth in Sheffield could therefore be to simply assume that past development rates carry on into the future. If it were assumed that past net completion rates were to continue over the 16 year study period, this would equate to an overall increase of 345,505sq.m of employment space, comprising of:
- -37,410sq.m of office (B1a/b) space (i.e. the amount of office floorspace occupied in 2031 would – in absolute terms – be lower than the amount currently occupied);
 - 290,910sq.m of manufacturing (B1c/B2) space; and
 - 92,000sq.m of distribution and warehousing (B8) space.

d. Labour Supply Scenario

- 8.42 A labour supply scenario – underpinned by demographic modelling produced by Edge Analytics to inform the Council’s Strategic Housing Market Assessment (SHMA) – has also been considered. These projections⁷⁵ estimate that Sheffield’s total population will increase from 563,310 in 2015 to 620,610 in 2031. Edge Analytics assume that 72.6% of the population will be of working age in 2031, with an economic activity rate of 66.0% and have applied a commuting ratio of 0.93.
- 8.43 The assumptions supplied by Edge Analytics have been used by NLP to estimate the level of employment space that this population change could be expected to support.
- 8.44 This approach reflects the most recent population projection work commissioned by SCC and provides a purely demographic driven assessment of future labour supply. The scenario presented by NLP does not consider the housing implications associated with this level of population growth.
- 8.45 Table 8.8 summarises the workplace labour supply resulting from this scenario, which corresponds to an increase of 25,535 over the period 2015 to 2031. From this figure, the number of B class jobs required was estimated. The methodology applied by NLP assumes that one additional job would be required for each additional worker, whilst also taking account of the structural change in employment forecast under the Policy-On scenario in order to disaggregate the employment figures by use class⁷⁶.

⁷⁵ It is understood that the labour supply estimates are based upon Edge Analytics’ ‘Jobs-Led Steady HH12’ scenario

⁷⁶ At the workshop session held as part of the ELR process, NLP received a clear steer from economic stakeholders, commercial agents and adjoining local authorities that the Policy-On model was considered to better reflect the anticipated sectoral structure of future growth

Table 8.8 Forecast Labour Supply and Job Requirements for Sheffield (2015-2031)

	Total Change (2015-2031)	Average Per Annum (2015-2031)
Workplace Labour Supply	25,535	1,595
<i>Office Jobs (B1a/b)</i>	<i>11,605</i>	<i>725</i>
<i>Manufacturing Jobs (B1c/B2)</i>	<i>1,665</i>	<i>105</i>
<i>Warehousing/Distribution Jobs (B8)</i>	<i>580</i>	<i>35</i>
All B Class Jobs	13,850	865

Source: Edge Analytics / NLP analysis

8.46 This implies a need for 13,850 new B class jobs in Sheffield over the study period, which is equivalent to 865 new jobs per annum. These job numbers can be translated into estimated requirements for B class employment space by applying the same standard employment densities used in the labour demand scenarios considered above, and adding a 10% vacancy allowance. Where a reduction in jobs is forecast (in this instance in relation to the manufacturing sector) the associated negative floorspace figure is halved.

8.47 In order to meet the job needs of local workers (as projected under the Jobs-Led Steady HH12 SHMA scenario) Sheffield is forecast to require 283,360sq.m of additional B class employment floorspace to 2031 (Table 8.9).

Table 8.9 Net Employment Floorspace Required from Labour Supply Growth (2015-2031)

	Floorspace (sq.m)
Offices (B1a/b)	159,570
Manufacturing (B1c/B2)	78,695
Warehousing/Distribution (B8)	45,095
Total	283,360

Source: NLP analysis

8.48 This labour supply-based estimate provides a useful benchmark for comparison against the labour demand-based scenarios. Based upon the population projections developed as part of the Council's SHMA, this forecast produces a positive space requirement that is lower than both the baseline and policy-on employment forecasts. The forecast space requirement is also lower than the need implied by projecting forward historic development rates.

Net Employment Space Requirements

8.49 Table 8.10 draws together the preceding analysis. It provides a summary of net floorspace requirements to 2031, as identified under each of the scenarios considered above.

Table 8.10 Net Floorspace Requirements in Sheffield by Scenario to 2031 (sq.m.)

	a. Policy Neutral (Experian) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take- Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	97,155	229,220	-37,410	159,570
Manufacturing (B1c/B2)	-30,875	113,165	290,910	78,695
Warehousing/ Distribution (B8)	224,920	65,280	92,000	45,095
Total	291,200	407,665	345,505	283,360

Source: NLP analysis

NB: figures may not sum due to rounding

8.50 Whilst the figures reflect a degree of consistency in relation to the overall need for B class space (ranging from 283,360sq.m to 407,665sq.m) the projected future need for each individual B class sector varies significantly between the scenarios. The requirement for office space, for instance, ranges from a need for -37,410sq.m (i.e. a reduction in space to 2031) to a need for 229,220sq.m. For manufacturing, the projected requirement ranges from -30,875sq.m to 290,910sq.m and for warehousing and distribution the requirement ranges from 45,095sq.m to 224,920sq.m.

Safety Margin

8.51 To estimate the overall level of employment space that should be planned for in allocating sites, and to give some flexibility in provision, it is common practice to add an allowance as a safety margin. This margin is a contingency factor, providing an additional land buffer to allow for: delays in some sites coming forward; and uncertainties in the forecasting process.

8.52 Given the scale and complexity of the commercial property market in Sheffield, it is considered appropriate to allow for a safety margin equivalent to five years of net take-up. This has been selected having regard to the following factors:

- 1 The industrial legacy of Sheffield gives rise to considerable uncertainty regarding the availability and deliverability of some employment sites. Sites are held as expansion land and may only come forward in the event that a particular occupier requires additional floorspace over the Plan period. In addition, the City's employment land supply includes a number of sites that require extensive clearance and remediation prior to any

redevelopment. This increases lead –in times for the provision of employment space, creating further uncertainty regarding delivery; and

- 2 Sheffield is a large City with a commercial property market that is characterised by lots of individual and localised markets within the authority’s boundaries. This is evidenced by the site assessment work considered in Section 10.0, with the analysis of supply presented on the basis of six distinctive sub-areas. It is important to ensure that Sheffield’s portfolio of land provides an adequate range of choice of sites within each of these localised markets to ensure that the City’s growth potential is not constrained by a lack of available land in a particular local market.

8.53 On the basis of the above, the margins set out in Table 8.11 were added to the net space requirements for the relevant B class uses. The margins have been calculated on the basis of five years of net take-up.

Table 8.11 Safety Margin Allowances

	Average Annual Net Take-Up (sq.m)	Safety Margin Added (sq.m)
Offices (B1a/b)	-2,340	0*
Manufacturing (B1c/B2)	18,180	90,910
Warehousing/Distribution (B8)	5,750	28,755

Source: NLP analysis

* no safety margin has been applied to the demand for office space. Net annual take-up has historically been negative and applying a margin underpinned by the data would serve to reduce overall need, thereby diminishing – rather than enhancing – the level of choice built into the projected requirement. The requirement for office space identified under each of the scenarios considered within this document could, therefore, be considered to under-estimate the true need for office space in Sheffield. This has been taken into account by NLP in reconciling the alternative scenarios in order to identified a preferred requirement for the City.

Gross Employment Space Requirements

8.54 To convert the net requirement for employment space into a gross requirement (i.e. the amount of space to be planned for and allocated by SCC) an allowance is also typically made for some replacement of losses of existing employment space that may be developed over the Plan period for other, Non B class uses. This allowance seeks to ensure that sufficient space is re-provided to account for employment space that is anticipated to be lost in future. It is intended to provide some protection against the continued erosion of employment space across the City.

8.55 174ha of employment land in Sheffield was lost to non B class uses between 1989 and 2014. A continuation of these trends – with no allowance made for the replacement of land – would significantly reduce the available supply of land in the City. This in turn would risk acting as a severe constraint to future growth in Sheffield. Moreover, it should be recognised that losses in the City have not simply comprised of poor quality manufacturing sites that are no longer fit for purpose. Indeed, it is estimated that almost a third (55ha) of the

land lost was previously allocated for or occupied by office users. Whilst it is recognised that a significant stock of vacant office space remains within Sheffield, it is critical that the City – as South Yorkshire’s principal office location – maintains a reasonable supply of office space.

- 8.56 Clearly, however, not all losses need necessarily be replaced. Some losses will, for instance, reflect an element of restructuring in the economy. As a result it is necessary to have regard to locally specific factors in arriving at a judgement regarding the rate of replacement to be applied.
- 8.57 Mindful of the factors outlined below, it is considered that allowing for the replacement of losses at 66% of historic rates is appropriate:
- Pressure for non B class development on allocated employment land has been observed from a variety of sectors. Since 1989, for instance, Sheffield has lost: 57ha of land to residential development; 50ha of land to retail-led development; 43ha of land to Sui Generis development; and 14ha to leisure development. Such broad based demand makes it less likely that the pressure to release employment sites will decline over the Plan period;
 - Historic losses have included a number of relatively large employment sites, rather than simply the piecemeal development of small infill parcels. The loss of larger sites has a potentially greater impact on the demand-supply balance at the local level;
 - Pre-recession losses data demonstrates a high level of demand for employment land from non B class uses with average losses of 8.4ha per annum. Consultation with agents and stakeholders suggested that this is likely to better reflect underlying demand. Indeed, after several years of negligible losses between 2009 and 2013, activity appears to have increased significantly, with 6.44ha of land lost to non B class activity in 2014; and
 - The losses data excludes the office floorspace lost in the city to residential uses as a result of the Permitted Development Rights for the conversion of office to residential. As such, the losses data captured within this section is likely to under-estimate the extent to which the city’s stock of office space has been eroded in recent years. It is noted that Permitted Development Rights for office to residential are to be made permanent⁷⁷;
- 8.58 Losses over the period 1989-2014 have averaged approximately 6.7ha per annum. This corresponds to approximately 26,800sq.m of floorspace (on the basis of a plot ratio of 0.4)⁷⁸. Including an allowance for the replacement of losses at 66% of past rates therefore equates to some 17,690sq.m per annum over the period to 2031. The resultant gross floorspace requirements

⁷⁷ <http://www.theplanner.co.uk/news/office-to-residential-conversion-change-made-permanent>

⁷⁸ 6.7ha equates to a total area of 67,000sq.m. Applying a plot ratio of 0.4 (67,000 x 0.4) would indicate that this is likely to correspond to 26,800sq.m of employment floorspace

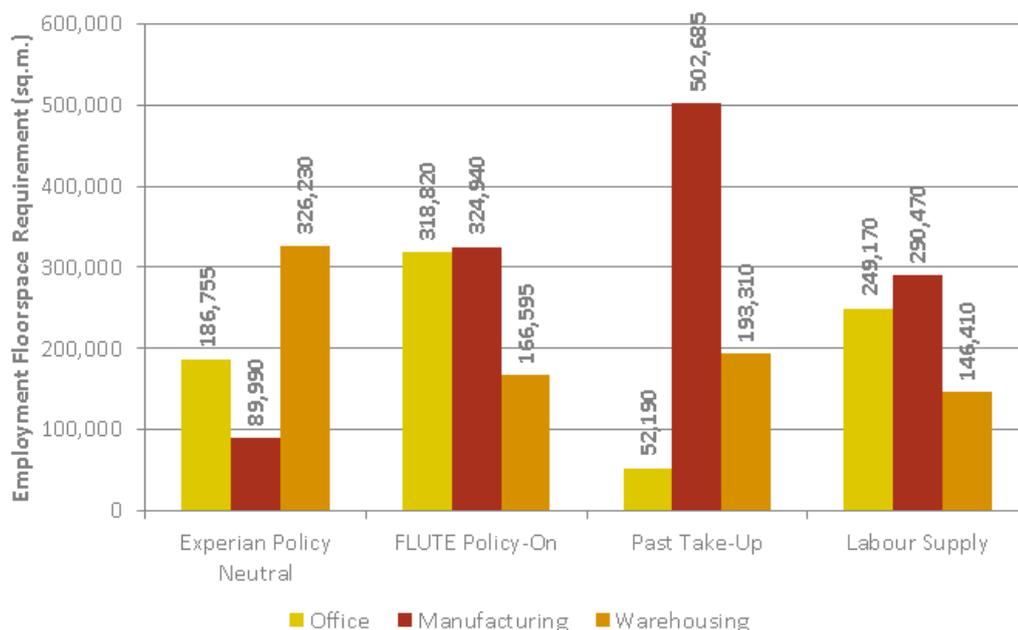
(disaggregated by use class⁷⁹) are set out in Table 8.12 and Figure 8.3. The gross floorspace requirements are derived by adding the safety margin allowances outlined in Table 8.11, as well as an allowance for the replacement of losses (as discussed above), to the net floorspace requirements identified in Table 8.10.

Table 8.12 Gross Floorspace Requirements in Sheffield by Scenario, 2015-2031 (sq.m)

	a. Policy-Neutral (Experian) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take-Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	186,755	318,820	52,190	249,170
Manufacturing (B1c/B2)	89,990	324,940	502,685	290,470
Warehousing/ Distribution (B8)	326,230	166,595	193,310	146,410
Total	602,975	810,355	748,190	686,050

Source: NLP analysis

Figure 8.3 Gross Floorspace Requirements by Scenario (2015-2031)



Source: NLP analysis

8.59 The floorspace requirements generated using the methodology outlined above are relatively well aligned at the headline level. Total projected floorspace

⁷⁹ Data regarding losses over the period 1989-2014 indicates the following proportionate split by use class: B1a/b = 32%; B1c/B2 = 43%; B8 = 26%. These proportions were applied to the assumed replacement rate of 17,690sq.m per annum. As such, the annual allowance for losses comprises of: 5,600sq.m of B1a/b space; 7,554sq.m of B1c/B2 space; and 4,535sq.m of B8 space

need ranges from 602,975sq.m (on the basis of a policy neutral employment forecast) to 810,355sq.m (on the basis of a policy-on employment forecast). The lowest requirement generated represents 74.4% of the requirement identified at the upper end of the range, demonstrating a degree of consensus between all four scenarios regarding likely future employment space needs.

8.60 It can be seen, however, that a greater degree of divergence exists between the scenarios regarding the disaggregation of total growth to the B class sectors. Projected office floorspace requirements, for instance, vary from 52,190sq.m (on the basis of past take-up) to 318,820sq.m (under the policy-on employment forecast). The lowest requirement generated represents just 16.4% of the requirement identified at the upper end of the range.

8.61 With respect to industrial space, the requirement identified at the bottom end of the range (416,220sq.m on the basis of a policy neutral employment forecast) (baseline) corresponds to 59.8% of the top end requirement (695,995sq.m on the basis of past take-up).

Estimated Land Requirement

8.62 For each of the scenarios discussed in the preceding paragraphs, the gross floorspace requirements (by use class) have been translated into land requirements. The land requirements have been calculated by applying the following plot ratio assumptions to the floorspace estimates:

- **Industrial:** a plot ratio of 0.4 was applied, so that a 1ha site would be needed to accommodate 4,000sq.m of employment floorspace; and
- **Offices:** it was assumed that 65% of new floorspace would be provided in higher density city centre developments with an average plot ratio of 2.0, with 35% of space provided on lower density development with a plot ratio of 0.4 (typically observed on business park environments).

8.63 It is understood that the Council's Core Strategy places a strong emphasis on city centre office development, seeking to accommodate at least 65% of all new office floorspace in city centre locations. This is considered to be achievable with the appropriate planning policy backing. Indeed, analysis undertaken as part of the Council's 2013 ELR suggested that historic delivery (over a 20 year period) was broadly in accordance with the Council's policy target, with 62% of office floorspace brought forward on city centre sites.

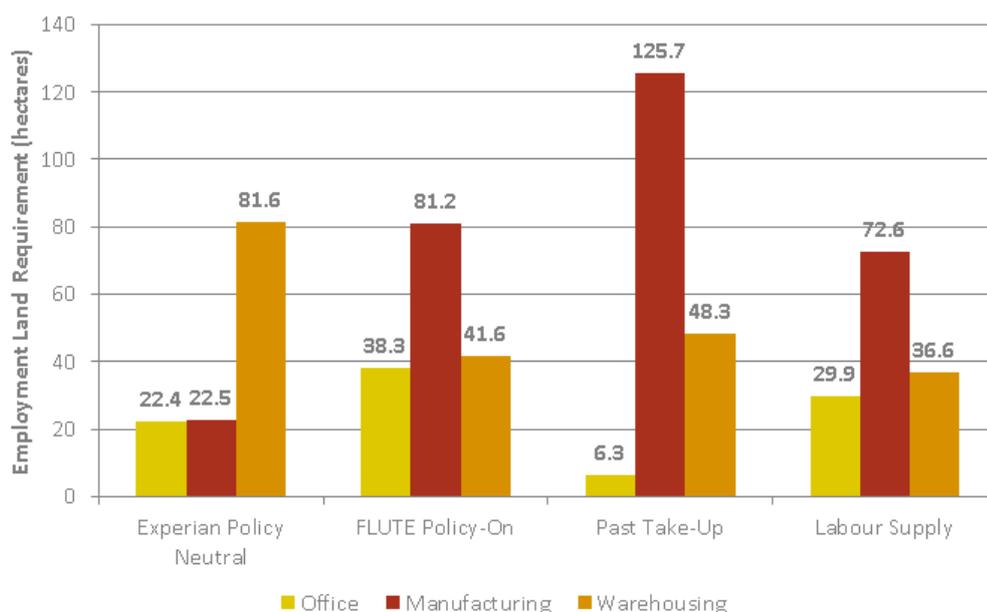
8.64 The resulting land requirements are set out in Table 8.13 and Figure 8.4.

Table 8.13 Gross Land Requirements by Scenario, 2015-2031 (hectares)

	a. Policy-Neutral (Experian) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take-Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	22.4	38.3	6.3	29.9
Manufacturing (B1c/B2)	22.5	81.2	125.7	72.6
Warehousing/ Distribution (B8)	81.6	41.6	48.3	36.6
Total	126.5	161.1	180.3	139.1

Source: NLP analysis

Figure 8.4 Gross Land Requirement by Scenario, 2015-2031 (hectares)



Source: NLP analysis

Sensitivity Testing

8.65 In order to narrow down the range presented above and identify a preferred requirement for Sheffield over the period to 2031, it is important to test how reasonable each scenario appears against other factors and how sensitive they are to flexing the underlying assumptions.

Take-Up Rates

8.66 As previously discussed, the high level of take-up observed in 2006 was driven – in part – by the delivery of c.17ha of logistics and distribution space at SIRFT. Whilst take-up is recorded as having occurred in 2006 (upon

commencement of construction) it is recognised that the space at SIRFT was not occupied immediately. As such, the take-up of the space, which could be viewed as the indicator of 'effective demand' did not occur until some time later. At the workshop event attended by a variety of stakeholders, the general consensus was that the development of SIRFT should be *included* within Sheffield's overall take-up figures, for two key reasons:

- Take up should be used as a measure of demonstrable demand and should capture all activity that has taken place in a given period; and
- A failure to factor developments of this scale into the assessment of demand carries a risk of translating into a failure to allocate sufficient land to accommodate similar schemes moving forward. This in turn constrains the authority's ability to compete for large scale logistics demand in future.

8.67 Notwithstanding the above, it is important to take account of market intelligence in interpreting the demand forecasts. In this regard, one-to-one telephone interviews with locally active commercial agents provided clear feedback on the issue. It was considered that developments of a similar scale are unlikely to be observed in Sheffield for the foreseeable future, due to a lack of similarly large sites without topographical constraints.

8.68 Mindful of the conflicting views expressed through the consultation process, it is considered instructive to assess the potential implications of removing the SIRFT development from any assessment of future need in Sheffield. Assuming that all other methodological assumptions remain unchanged, such an approach would result in:

- The requirement for B8 land falling by 3ha under the labour demand and labour supply scenarios and by 14ha under the past take-up scenario. This would result in a revised set of B8 requirements ranging from 34ha to 78ha over the period to 2031; and
- The total requirement for B class land falling by 3ha under the labour demand and labour supply scenarios and by 14ha under the past take-up scenario. This would result in a revised set of total requirements ranging from 123ha to 166ha.

Replacement of Losses

8.69 The scenarios considered in the preceding paragraphs include an allowance for the replacement of losses at 66% of past trends. This is considered to be appropriate, having regard to the scale and nature of historic losses.

8.70 Nevertheless, it is helpful to understand the impact of this assumption on the overall level of forecast demand. For each of the scenarios considered elsewhere in this section, increasing the replacement of losses from 66% to 100% would see the total requirement increase by 30ha. This would see the range of requirements rise from between 127ha and 180ha to between 157ha and 210ha.

Scale of Growth

- 8.71 As set out in Section 5.0, Sheffield currently contains an estimated 4.33million sq.m of employment floorspace, comprising of 3.36 million sq.m of industrial stock and 973,000sq.m of office space. This provides a useful benchmark for assessing the scale of change (in gross floorspace terms) implied by each of the scenarios considered in the preceding paragraphs.
- 8.72 In relation to the future demand for **office space**:
- The Experian policy neutral scenario generates a requirement for 186,755sq.m (gross) of floorspace. This would be equivalent to an **19%** increase in stock;
 - The policy-on scenario generates a requirement for 318,820sq.m (gross) of floorspace. This would be equivalent to a **33%** increase in stock;
 - Past take-up rates imply a need for 52,190sq.m. This would be equivalent to a **5%** increase in stock; and
 - The labour supply scenario yields a requirement for 249,170sq.m (gross) of floorspace. This would be equivalent to a **26%** increase in stock.
- 8.73 In relation to the future demand for **industrial space**:
- The Experian policy neutral scenario generates a requirement for 416,220sq.m (gross) of floorspace. This would be equivalent to a **12%** increase in stock;
 - The policy-on scenario generates a requirement for 491,535sq.m (gross) of floorspace. This would be equivalent to a **15%** increase in stock;
 - Past take-up rates imply a need for 695,995sq.m. This would be equivalent to a **21%** increase in stock; and
 - The labour supply scenario yields a requirement for 436,880sq.m (gross) of floorspace. This would be equivalent to a **13%** increase in stock.

Summary

- 8.74 In interpreting the outputs of this section, regard should be had to the PPG which states that local authorities should develop an estimate of future employment land requirements by taking into account a range of forecasts and data sources (both qualitative and quantitative). Planning for employment growth should avoid relying upon a single projection or forecasting technique, as there are inevitable uncertainties and limitations associated with each of the approaches advocated by PPG when applied in isolation.
- 8.75 There are limitations to the use of local level economic forecasts, particularly against a backdrop of significant recent changes in the economy. Economic forecasts are regularly updated and the resulting outputs (and corresponding land requirements) will change over the Plan period.
- 8.76 Similarly, there can be limitations to planning on the basis of past take-up. Whilst such data does reflect demonstrable demand it is based upon historic

trends and it cannot automatically be assumed that these will be replicated moving forwards. This is particularly the case in locations where development activity may have been constrained in the past due to a limited availability of land.

8.77 Mindful of the inherent limitations of each forecasting approach, it is important to interpret the range of scenarios having regard to local economic and commercial market intelligence. This can help to identify those scenarios that are most appropriate to the particular local context.

8.78 The analysis presented below gives further consideration to the preferred requirement for Sheffield over the period 2015 to 2031, by considering each B use class in turn:

- **Offices (B1a/b):** Sheffield is widely regarded as the principal office location within South Yorkshire. The level of office floorspace in the city relative to the surrounding authorities and the headline rents being quoted reinforce this. It is anticipated that Sheffield will continue to play an important role as an office location with moderate/strong or strong growth anticipated across a range of office-based sectors including: financial & professional services; ICT; and creative industries/publishing/media. It is critically important that Sheffield's ability to capitalise upon these sectoral opportunities is not constrained due to a lack of available land for new office premises. This is particularly true within the context of the commercial market analysis, which identified the diminishing availability of Grade A office space as a challenge for Sheffield and a possible constraint to the City's growth potential.

The four scenarios modelled as part of this study indicate that office land needs could range from 6.3ha to 38.3ha over the period to 2031. That three of the scenarios (baseline, policy-on and labour supply) generate a requirement in excess of 20ha points towards a degree of consensus amongst the forecasting techniques that demand is likely to be in the upper half of this range. In addition, it should be noted that the forecast requirements for office space do not include a safety margin allowance, as discussed elsewhere in this section. As a consequence, it is considered necessary to try and factor in some degree of choice and flexibility in the market when identifying a preferred requirement for the City.

Recognising that past take-up has been relatively modest, however, it is not considered appropriate to pursue a requirement towards the very top of this range. It is suggested that SCC should plan to accommodate between 20ha and 30ha of B1a/b office land.

- **Manufacturing (B1c/B2):** Sheffield has many advantages as an industrial location, with many established international companies and a number of smaller, burgeoning advanced manufacturing companies. Further opportunity exists to develop a competitive advantage, alongside Rotherham, as a destination for advanced manufacturing.

The relationship between employment change and the sector's demand for floorspace is complex. This is illustrated by the fact that more than 110ha of gross employment land was taken up by manufacturing businesses between 1997 and 2015, despite the sector's employment base contracting by almost 20,000 jobs over the same period.

The future employment prospects of the sector at the local level are considered to be much more positive than past performance. In part due to the factors listed above, as well as the designation of an Advanced Manufacturing Enterprise Zone across various sites in the city and the wider city region. Indeed, the baseline economic forecast anticipates that a far more modest contraction of just 1,435 jobs will be observed to 2031, whilst the policy-on scenario anticipates an increase of 2,390 manufacturing jobs. As such, and mindful of the strong demand for space that was observed previously whilst the sector shed large numbers of jobs it is considered prudent to plan for a requirement towards the top end of the range. Failure to do so risks constraining the city's ability to build upon its growing reputation as a key location for advanced manufacturing businesses (a key aspiration of the SCR LEP).

It is recommended that SCC should plan to accommodate between 80ha and 125ha of land for B1c/B2 uses. The lower end of this range aligns with the requirement derived via the policy-on scenario. This scenario was widely acknowledged by key stakeholders during the consultation workshop to better reflect – in employment terms – the scale of opportunity in relation to advanced manufacturing in Sheffield in comparison with the baseline scenario. The upper end of this range aligns with past take-up rates.

- **Warehousing & Distribution (B8):** the gross requirements presented within table 9.13 include an allowance for the SIRFT. However, discussions with locally active commercial agents have suggested that developments of a similar scale are unlikely to be observed in Sheffield for the foreseeable future, due to a lack of similarly large sites without topographical constraints. Removing the SIRFT development from the analysis would give rise to a series of requirements ranging from 34.2ha to 78.3ha (as discussed above with respect to the sensitivity testing of the forecasts).

Analysing this range in greater detail, it is considered that the 78.3ha need generated under the baseline job growth scenario is likely to overstate future demand. Indeed, it is difficult to envisage demand exceeding past take-up given the shortage of large sites referred to above.

8.79

Removing the baseline job growth scenario (and stripping out the land take associated with SIRFT) would leave three scenarios that are closely aligned, with a range of 34.2ha to 38.4ha. This is considered to give considerable confidence that providing 35ha to 40ha of land for B8 uses would be appropriate to meet future demand.

8.80

In summary, it is therefore recommended that SCC looks to allocate between 135ha and 195ha (gross) of employment land to accommodate demand from B class occupiers over the period 2015 to 2031. This should comprise of:

- 20ha to 30ha of land for B1a/b (office) uses – equivalent to 1.25ha to 1.875ha per annum;
- 80ha to 125ha of land for B1c/B2 (manufacturing) uses – equivalent to between 5ha and 7.81ha per annum; and
- 35ha to 40ha of land for B8 (warehousing and distribution) uses – equivalent to between 2.19ha and 2.5ha per annum.

8.81

The suggested requirement outlined above translates to an average annual demand of between 8.4ha and 12.2ha per annum over the 16 year period 2015 to 2031. It is understood from discussions with SCC officers that the City's Local Plan could cover a period to 2033. In the event that the base date remains unchanged, and assuming that demand follows a straight line trajectory, a portfolio of between 151.2ha and 219.6ha could be required to meet need over the 18 year period to 2033.

9.0 **Future Employment Space Requirements: Rotherham**

9.1 This section considers future economic growth needs in Rotherham by drawing upon several methodologies that reflect the requirements of the PPG. These scenarios are used to inform the assessment of the Borough's future employment land needs for office and industrial (i.e. manufacturing and warehousing) uses.

Methodology

9.2 Paragraph 32 of the *Housing and Economic Development Needs Assessment* section of the PPG advises that “*local authorities should develop an idea of future needs based on a range of data which is current and robust.*” In particular, it recommends that Plan makers consider a variety of forecasting techniques:

- 1 Sectoral and employment forecasts and projections (labour demand);
- 2 Demographically derived assessments of future employment needs (labour supply techniques);
- 3 Analysis based on the past take-up of employment land and property and/or future property market requirements; and
- 4 Consultation with relevant organisations, studies of business trends, and monitoring of business, economic and employment statistics.

9.3 Within this context a number of potential future scenarios are considered within this section in order to provide a framework for assessing future B class employment space requirements in Rotherham over the period 2015-2031. The quantitative forecasting techniques applied clearly align with items 1-3 outlined above as suggested by the PPG:

- a Baseline employment forecasts (**labour demand**) produced by Experian Business Strategies;
- b Policy-on employment forecasts (**labour demand**) sourced from the Sheffield City Region FLUTE model developed by Ekosgen;
- c Consideration of **past take-up of employment land and property** based on monitoring data collected by Rotherham Metropolitan Borough Council; and
- d Estimated future growth in the local **labour supply** – and the jobs and employment space that this could be expected to support – having regard to population projections taken from the Borough's Strategic Housing Market Assessment (2015).

9.4 All of these approaches have their own individual strengths and limitations. As such, consideration needs to be given as to how appropriate each is to the circumstances in Rotherham. Further, to be robust, the economic growth

potential and likely demand for employment space in the Borough needs to be assessed under a variety of future scenarios in order to reflect both lower and higher growth conditions that could arise over the study period.

- 9.5 It should also be noted that the ultimate judgement as to the level of need that RMBC should plan for is not purely quantitative. Indeed, a number of qualitative factors must also be taken into consideration (as discussed in other sections of the report). These factors, which have been identified through an analysis of economic and market conditions – as well as through extensive consultation with local businesses, commercial agents and economic stakeholders – will influence the employment space requirements that need to be planned for and must be considered alongside the modelled scenarios (item 4 as outlined above).

a. Baseline Employment Forecast

- 9.6 RMBC commissioned Experian Business Strategies, in Spring 2015, to produce a baseline forecast of employment growth in the Borough over the period 2015-2031. These forecasts – disaggregated by sector – reflect recent trends and economic growth projections at the national and regional level. They also take into account how sectors in Rotherham have performed relative to regional growth rates in the past.
- 9.7 The forecasts are not constrained by labour or land supply. In addition, whilst stated government policy is considered by Experian in order to help frame the future macroeconomic outlook, the forecasts do not take account of any: local policy interventions; planned major developments; or infrastructure changes at the local/regional level.
- 9.8 Econometric forecasts of this nature tend to be most reliable at the regional and national level and less so when considering local economies. Nevertheless, they provide a valuable input by indicating the broad scale and direction of economic growth in different sectors, thereby helping to assess future land requirements.
- 9.9 These projections indicate an overall growth of 10,980 jobs in Rotherham over the 16 year study period – equivalent to around 685 additional jobs per annum. Table 9.1 provides a summary of those sectors expected to experience the largest absolute increases and reductions in employment.

Table 9.1 Fastest Growing and Declining Sectors in Rotherham (2015-2031)

Sector	Use Class	Additional Jobs (2015-2031)
Admin. & Support Services	ORANGE	+2,870
Education	RED	+2,080
Accommodation & Food Services	RED	+1,470
Specialised Construction Activities	ORANGE	+1,160
Health	RED	+1,140
Public Admin. & Defence	ORANGE	-620
Total		+10,980⁸⁰

Source: Experian Business Strategies (Spring 2015) / NLP analysis

Key: GREEN = B class sector ORANGE = Part B class sector RED = Non B class sector

- 9.10 This analysis indicates that the strongest growth in employment over the period to 2031 is anticipated to be observed in the following sectors: administrative & support services; education; accommodation & food services; specialised construction activities; and health. Of the five sectors listed, three are considered unlikely to generate any requirement for B class space. With respect to the other two sectors, it is anticipated that a proportion of job growth may give rise to a need for B class space.
- 9.11 A number of sectors are forecast to contract in employment terms over the period to 2031 (with most comprising of sub-sectors of the manufacturing industry). However, public administration and defence is the only sector forecast by Experian to observe a loss of more than 500 jobs.
- 9.12 The total employment change anticipated in Rotherham under the baseline scenario is shown in Table 9.2, alongside the forecast job growth in each of the B class sectors. This includes an allowance for jobs in other non-B class sectors that generally use office or industrial space (Appendix 2).

⁸⁰ Total employment, including sectors not listed in the table, where lower rates of change are forecast. A full breakdown of the Experian employment forecasts is provided at Appendix 3.

Table 9.2 Baseline Forecast Employment Change in Rotherham (2015-2031)

	Jobs (2015)	Jobs (2033)	Change (2015-2033)
Offices (B1a/B1b)	22,370	25,160	+2,790
Manufacturing (B1c/B2)	20,505	20,130	-375
Warehousing/Distribution (B8)	8,935	9,410	+475
Total B Class Jobs	51,810	54,700	+2,890
Total Jobs (All Sectors)	113,140	124,120	+10,980

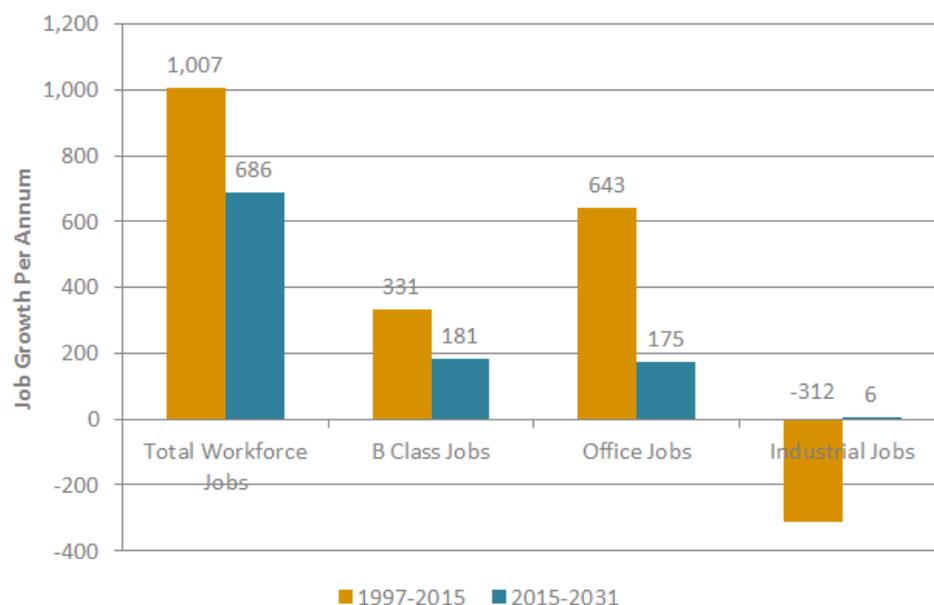
Source: Experian Business Strategies / NLP analysis

NB: figures may not sum due to rounding

9.13 The overall level of employment growth (10,980) forecast by Experian corresponds to approximately 685 additional jobs per annum. This rate of growth is lower than the rates observed over the period 1997-2015 (1,005 additional jobs per annum). Similarly, the Experian forecasts assume that B class jobs will increase by an average of 180 per annum, which is just over half the level of growth (330 jobs per annum) observed historically.

9.14 Within the context of past performance, therefore, the forecasts could be considered to be somewhat pessimistic, particularly when one considers that the trend-based figures take account of the 2008/9 recession and subsequent fragile recovery.

Figure 9.1 Annual Job Growth Implied by Baseline Forecast (2015-2031)



Source: Experian / NLP analysis

NB: Industrial jobs includes B1c/B2 and B8 uses

- 9.15 The growth in B class employment anticipated under the baseline forecast has been converted into a net future employment space requirement by applying the following average employment densities:
- **Offices:** 1 job per 12.5sq.m. for general office space;
 - **Industrial:** 1 job per 43sq.m. as an average across B1c and B2 uses; and
 - **Warehousing/Distribution:** 1 job per 65sq.m. for general, smaller scale warehousing (assumed to account for 40% of future space) and 1 job per 74sq.m. for large scale, lower density units (assumed to account for 60% of future space).
- 9.16 These assumptions are based upon the latest HCA/OffPAT guidance on employment densities, published in 2010⁸¹. The guidance takes into account recent trends relating to the changing use of employment space, with the main change being the more efficient use of office space through hot-desking and flexible working.
- 9.17 An allowance of 10% is added to all floorspace requirements to reflect normal levels of market vacancy in employment space. Where a reduction in employment is forecast (e.g. manufacturing) the associated negative floorspace has been halved. This reflects the fact that whilst there may be ongoing manufacturing job losses, it does not necessarily and automatically follow that all of the associated existing employment land will be lost.
- 9.18 The relationship between job growth and floorspace in relation to the manufacturing sector is particularly complex. Indeed, whilst manufacturing employment fell by more than 3,000 jobs in Rotherham between 2004 and 2014, strong demand for new manufacturing premises was still observed with more than 275,000sq.m of B1c/B2 floorspace (gross) delivered over the period. It is recognised that this was – in part – offset by losses to non-B class sectors. Nevertheless, the data still demonstrates the complexity of the relationship between manufacturing jobs and the demand for manufacturing space at the local level.
- 9.19 In addition, the baseline forecast produced by Experian projects that the GVA generated by the manufacturing sector within Rotherham will increase by almost £160m between 2015 and 2031. This would indicate that the Borough's manufacturing sector will continue to perform well in terms of economic output, perhaps in part through a shift towards higher value activity through increased automisation and the adoption of more efficient production techniques. As such, it is considered unlikely that the forecast decline in manufacturing employment will give rise to a commensurate reduction in demand for B1c/B2 space.
- 9.20 Table 9.3 provides a summary of the net floorspace requirements, by use class, generated as a result of the methodology described above.

⁸¹ Based upon the HCA/OffPAT Employment Densities Guide (2010) and converted to Gross External Area and total workforce jobs by NLP

Table 9.3 Baseline Employment Forecast: Net Employment Space Requirements in Rotherham (2015-2031)

	Floorspace (sq.m.)
Offices (B1a/B1b)	38,355
Manufacturing (B1c/B2)	-8,045
Warehousing/Distribution (B8)	36,930
Total	67,240

Source: Experian / NLP analysis

NB: figures may not sum due to rounding

b. Policy-ON (FLUTE) Employment Forecast

- 9.21 In addition to the baseline scenario described above, the employment space implications associated with a policy-on forecast have also been considered by NLP. At the request of RMBC, the employment forecasts modelled as part of the Sheffield City Region FLUTE (Forecasting the interactions of Land-Use, Transport and Economy) model have been used to underpin the scenario.
- 9.22 It is understood that the FLUTE model has been commissioned by the Sheffield City Region LEP in order to provide a strategic, LEP-wide approach to planning and evaluating major investment proposals on a consistent basis.
- 9.23 The FLUTE model is underpinned by independent forecasts commissioned by the Sheffield City Region LEP. It is understood that the forecasts take, as their starting point, the LEP aspiration (as outlined in the SEP) to create 70,000 additional jobs across the LEP area over the period 2013-2024⁸². The forecasts were commissioned to consider the likely disaggregation of this level of job growth (by sector and local authority).
- 9.24 In addition, it is understood that the FLUTE modelling work assumed that the target of 70,000 jobs would be delivered through a general and broad-based improvement in local economic conditions in the event that the Sheffield City Region LEP is allocated the funding, freedoms and flexibilities that the organisation requested through the SEP and will continue to request in subsequent funding rounds.
- 9.25 The employment forecasts generated through the FLUTE model anticipate that 9,125 jobs could be created within Rotherham between 2013 and 2024 under such a scenario. Given that the forecasts only cover the period 2013-2024, it was necessary to adjust these in order to derive an estimate of job growth over the period 2015-2031. In order to do so, NLP annualised employment change by sector for Rotherham (as forecast by the FLUTE model) and projected this forward, on a pro-rata basis. This gives rise to a projected increase of 13,275 jobs over the study period.

⁸² Employment forecasts produced by Ekosgen

9.26

Given that the original FLUTE figures are based upon a general and broad-based uplift in economic performance (as opposed to project-based assumptions where impacts are less likely to follow a linear trajectory) such an approach is considered reasonable. Clearly, however, the results must be interpreted with a degree of caution.

Table 9.4 provides a summary of projected employment growth over the period 2015-2031. The figures have been derived by NLP – using the methodology described in the preceding paragraphs – and are underpinned by the FLUTE job growth forecasts to 2024.

Table 9.4 Projected Employment Change by Sector (2015-2031)

Sector	Use Class	Additional Jobs (2013-2024)	Additional Jobs (2015-2031)
Business Services	GREEN	+2,500	+3,635
Advanced Manufacturing	GREEN	+2,300	+3,345
Logistics & Transport	ORANGE	+1,650	+2,400
Retail	RED	+1,000	+1,455
Sport, Leisure & Tourism	RED	+800	+1,165
Creative & Digital Industries	GREEN	+700	+1,020
Financial & Professional Services	GREEN	+700	+1,020
Health	RED	+700	+1,020
Construction	ORANGE	+650	+945
Low Carbon	GREEN	+400	+580
Other	RED	+350	+510
Education	RED	+175	+255
Public Administration	ORANGE	-1,300	-1,890
Medium-Low Tech Manufacturing	GREEN	-1,500	-2,180
Total		+9,125	+13,275

Source: FLUTE Model / NLP analysis

Key: GREEN = B class sector ORANGE = Part B class sector RED = Non B class sector

9.27

From the table it can be seen that the FLUTE model assumes that the strongest growth in employment over the period to 2031 will be observed in: business services; advanced manufacturing; and logistics & transport. All of these sectors would be expected to generate a requirement for B class space (although it is recommended that this does not apply to *all* aspects of logistics & transport). In addition, more modest growth is projected in the B class

sectors of: creative & digital industries; financial & professional services; and low carbon. Overall, therefore, B class job growth is forecast to be much stronger under the policy-on scenario (7,150 B class jobs in total) than under the baseline scenario (2,890 B class jobs).

9.28 It can also be seen from the table that a decline in employment is anticipated in the sectors of: medium-low tech manufacturing; and public administration. The former would ordinarily be expected to occupy B class employment premises, whilst the latter would ordinarily be expected to generate *some* demand for B class space.

9.29 The total employment change anticipated to occur in Rotherham under the policy-on scenario is shown in Table 9.5. This has also been disaggregated for each of the B Class sectors.

Table 9.5 Policy-On Employment Change in Rotherham (2015-2031)

	Jobs (2015)	Jobs (2031)	Change (2015-2031)
Offices (B1a/B1b)	22,370	26,660	+4,290
Manufacturing (B1c/B2)	20,505	22,550	+2,045
Warehousing/Distribution (B8)	8,935	9,750	+815
Total B Class Jobs	51,810	58,960	+7,150
Total Jobs (All Sectors)	113,140	126,415	+13,275

Source: FLUTE model / NLP analysis

NB: figures may not sum due to rounding

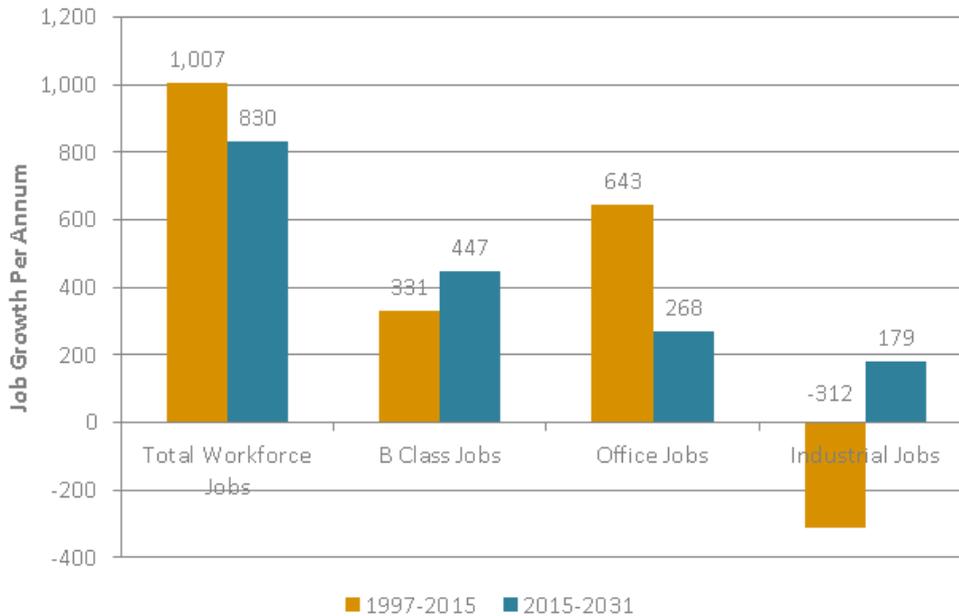
9.30 As with the baseline forecast, the policy-on modelling assumes that the majority of B class growth will occur in office-based sectors. The policy-on scenario also assumes that positive growth (2,045 jobs) will be observed in manufacturing – this is in stark contrast to the contraction of 375 manufacturing jobs forecast under the baseline. At the workshop session held as part of the ELR process, the feedback from local developers and economic stakeholders was clear – the more positive outlook in relation to manufacturing jobs underpinning the policy-on scenario was considered to align more closely with the ambitions of RMBC and the LEP and to better reflect the competitive advantages of the Borough as a business location.

9.31 Figure 9.2 compares the policy-on employment projections against past trends. From this it can be seen that the projected increase of 7,150 B class jobs translates to approximately 445 additional B class jobs per annum. This is higher than past performance (330 B class jobs per annum). This is despite the fact that the total employment growth assumed under the policy-on scenario is, at 830 jobs per annum, lower than past trends.

9.32

Considering the figures in greater detail, it can be seen that the policy-on scenario forecasts a significant slowdown in the growth of office-based jobs relative to past performance. In contrast, a marked upswing is projected in relation to industrial jobs, shifting from a historic contraction (-310 jobs per annum) to positive growth (180 jobs per annum) moving forwards.

Figure 9.2 Annual Job Growth Implied by Policy-On Forecast



Source: FLUTE model / NLP analysis

NB: Industrial jobs includes B1c/B2 and B8 uses

9.33

Assessed within the context of past trends, the Policy-On forecasts could therefore be viewed as:

- Pessimistic in relation to overall growth; and
- Optimistic in relation to growth in the B class sectors.

9.34

It is important to recognise, however, that the stronger B class growth projected under this scenario is predicated on an upswing in the industrial sectors. As previously discussed, it does not appear unreasonable to assume that the employment performance of the industrial sectors could improve considerably over the Plan period, mindful of the emphasis being placed upon advanced manufacturing in particular. This is reflected in the designation of the AMP site as an Enterprise Zone and the wider ambition of RMBC and SCC to create the UK's first Advanced Manufacturing Innovation District.

9.35

The growth in B class employment anticipated under the policy-on scenario has been converted into net future employment space requirements using the same methodological approach outlined in respect of the baseline scenario. The results of this exercise are summarised in Table 9.6.

Table 9.6 Policy-On Employment Forecast: Net Employment Space Requirements in Rotherham (2015-2031)

	Floorspace (sq.m.)
Offices (B1a/B1b)	58,995
Manufacturing (B1c/B2)	96,755
Warehousing/Distribution (B8)	63,190
Total	218,940

Source: FLUTE Model / NLP analysis

NB: figures may not sum due to rounding

c. Past Take-Up Rates

- 9.36 Because they reflect demonstrable market demand, as well as development patterns ‘on the ground,’ long term take-up rates can – in some instances – provide a reasonable basis for estimating future land needs. Completions data spanning a period of approximately ten years or more should even out demand fluctuations over a business cycle. As such, they would ordinarily provide a reasonable starting point for estimating future needs in the event that supply has not been unduly constrained over the period.
- 9.37 Whereas employment forecasts express growth in net terms, analysis of past take-up takes into account development that offsets the redevelopment of employment sites and the recycling of sites.
- 9.38 Monitoring data on past (net) take-up of B class uses across the Borough the period 2006 to 2014 (inclusive) – and expressed on the basis of floorspace – was provided by RMBC⁸³. This is summarised in Table 9.7

Table 9.7 Past Take-Up of Employment Space in Rotherham (2006-2014)

	Average Annual Net Completions (sq.m.)	Average Annual Gross Completions (sq.m.)
Offices (B1a/B1b) ⁸⁴	14,145	15,190
Manufacturing (B1c/B2) ⁸⁵	20,850	23,085
Warehousing/Distribution (B8)	17,275	18,870
Total	52,270	57,140

Source: SCC / NLP analysis

NB: figures may not sum due to rounding

⁸³ It should be noted that this data has not been independently verified or interrogated by NLP

⁸⁴ It should be noted that RMBC monitoring data does not disaggregate between B1a/b and B1c for the years 2004-2007 (inclusive). NLP has disaggregated the data, assuming the same proportionate split between the uses as observed from 2008 onwards

⁸⁵ See above in relation to B1 uses

9.39 One view of future growth in Rotherham could therefore be to simply assume that past development rates carry on into the future. If it were assumed that past net completion rates were to continue over the 16 year study period, this would equate to an overall increase of 836,320sq.m of employment space, comprising of:

- 226,305sq.m of office (B1a/b) space;
- 333,615sq.m of manufacturing (B1c/B2) space; and
- 276,400sq.m of distribution and warehousing (B8) space.

d. Labour Supply Scenario

9.40 A labour supply scenario – underpinned by demographic modelling produced by Edge Analytics to inform the Council’s Strategic Housing Market Assessment (SHMA) – has also been considered. These projections⁸⁶ estimate that Rotherham’s total population will increase from 258,820 in 2015 to 283,530 in 2031. Edge Analytics assume that 69.5% of the population will be of working age in 2031, with an economic activity rate of 70.0% and have applied a commuting ratio of 1.07.

9.41 The assumptions supplied by Edge Analytics have been used by NLP to estimate the level of employment space that this population change could be expected to support.

9.42 This approach reflects the most recent population projection work commissioned by RMBC and provides a purely demographic driven assessment of future labour supply. The scenario presented by NLP does not consider the housing implications associated with this level of population growth.

9.43 Table 9.8 summarises the workplace labour supply resulting from this scenario, which corresponds to an increase of 12,865 over the period 2015 to 2031. From this figure, the number of B class jobs required was estimated. The methodology applied by NLP assumes that one additional job would be required for each additional worker, whilst also taking account of the structural change in employment forecast under the policy-on scenario in order to disaggregate the employment figures by use class⁸⁷.

⁸⁶ It is understood that the labour supply estimates are based upon Edge Analytics’ ‘Jobs-Led Aspirational SENS1 HH12’ scenario

⁸⁷ At the workshop session held as part of the ELR process, NLP received a clear steer from economic stakeholders, commercial agents and adjoining local authorities that the policy-on model was considered to better reflect the anticipated sectoral structure of future growth

Table 9.8 Forecast Labour Supply and Job Requirements for Rotherham (2015-2031)

	Total Change (2015-2031)	Average Per Annum (2015-2031)
Workplace Labour Supply	12,865	805
<i>Office Jobs (B1a/b)</i>	<i>4,160</i>	<i>260</i>
<i>Manufacturing Jobs (B1c/B2)</i>	<i>1,985</i>	<i>125</i>
<i>Warehousing/Distribution Jobs (B8)</i>	<i>790</i>	<i>50</i>
All B Class Jobs	6,935	435

Source: Edge Analytics / NLP analysis

9.44 This implies a need for 6,935 new B class jobs in Rotherham over the study period, which is equivalent to 435 new jobs per annum. These job numbers can be translated into estimated requirements for B class employment space by applying the same standard employment densities used in the labour demand scenarios considered above, and adding a 10% vacancy allowance.

9.45 In order to meet the job needs of local workers (as projected under the Jobs-Led Aspirational SENS1 HH12 SHMA scenario) Rotherham is forecast to require 212,230sq.m of additional B class employment floorspace to 2031 (Table 9.9).

Table 9.9 Net Employment Floorspace Required from Labour Supply Growth (2015-2031)

	Floorspace (sq.m)
Offices (B1a/b)	57,205
Manufacturing (B1c/B2)	93,805
Warehousing/Distribution (B8)	61,215
Total	212,230

Source: NLP analysis

9.46 This labour supply-based estimate provides a useful benchmark for comparison against the labour demand-based scenarios. Based upon the population projections developed as part of the Council's SHMA, this forecast produces a positive space requirement that is higher than that derived from the baseline employment forecast and lower than the need implied by projecting forward past development rates. The forecast space requirement is broadly in alignment with that derived from the policy-on employment forecast.

Net Employment Space Requirements

9.47 Table 9.10 draws together the preceding analysis. It provides a summary of net floorspace requirements to 2031, as identified under each of the scenarios considered above.

Table 9.10 Net Floorspace Requirements in Rotherham by Scenario to 2031 (sq.m.)

	a. Baseline (OE) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take-Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	38,355	58,995	226,305	57,205
Manufacturing (B1c/B2)	-8,045	96,755	333,615	93,805
Warehousing/ Distribution (B8)	36,930	63,190	276,400	61,215
Total	67,240	218,940	836,320	212,230

Source: NLP analysis

NB: figures may not sum due to rounding

9.48 The forecasts reflect a wide range of potential net space requirements, from just 67,240sq.m under the baseline employment forecasts to 836,320sq.m on the basis of past take-up rates. The greatest difference between the four scenarios is observed with respect to manufacturing space, with the baseline employment forecasts generating a need for -8,045sq.m (i.e. a reduction in space to 2031) whereas a continuation of past trends would imply a requirement of 333,615sq.m.

Safety Margin

9.49 To estimate the overall level of employment space that should be planned for in allocating sites, and to give some flexibility in provision, it is common practice to add an allowance as a safety margin. This margin is a contingency factor, providing an additional land buffer to allow for: delays in some sites coming forward; and uncertainties in the forecasting process.

9.50 In comparison with Sheffield, Rotherham is considered to benefit from: a greater supply of large developable sites (including the AMP, Todwick North, Land off Europa Link and Land off Cumwell Lane); and fewer sites that require assembly, clearance and remediation works. In addition, Rotherham comprises of fewer individual localised markets than Sheffield – a function, in part, of the relative size of the two authorities.

9.51 Mindful of the above, it is likely that a smaller safety margin would be required in Rotherham than in Sheffield. It is considered appropriate to allow for three years of net take-up, with the corresponding margins set out in Table 9.11 applied.

Table 9.11 Safety Margin Allowances

	Average Annual Net Take-Up (sq.m)	Safety Margin Added (sq.m)
Offices (B1a/b)	14,145	42,430
Manufacturing (B1c/B2)	20,850	62,555
Warehousing/Distribution (B8)	17,275	51,825

Source: NLP analysis

Gross Employment Space Requirements

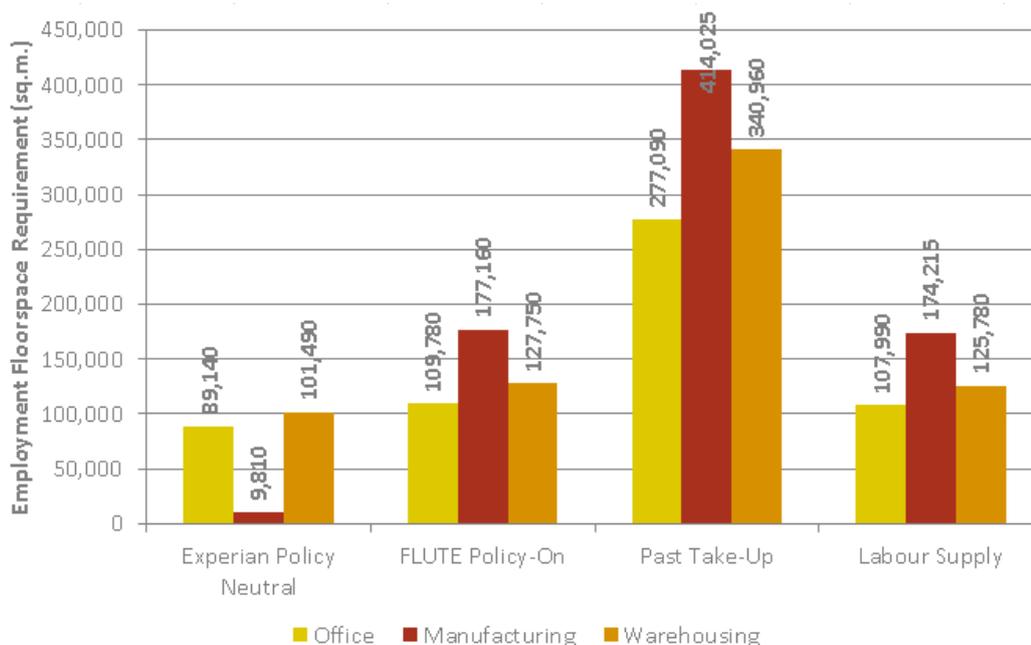
- 9.52 To convert the net requirement for employment space into a gross requirement (i.e. the amount of space to be planned for and allocated by RMBC) an allowance is also typically made for some replacement of losses of existing employment space that may be developed over the Plan period for other, non-B class uses. This allowance seeks to ensure that sufficient space is re-provided to account for employment space that is anticipated to be lost in future. It is intended to provide some protection against the continued erosion of employment space across the Borough.
- 9.53 Clearly, however, not all losses need necessarily be replaced. Some losses will, for instance, reflect an element of restructuring in the economy. As a result it is necessary to have regard to locally specific factors in arriving at a judgement regarding the rate of replacement to be applied.
- 9.54 43,825sq.m of employment floorspace in Rotherham was lost to non-B class uses between 2006 and 2014. Losses were generally relatively small scale in nature (less than 2ha) and account for a very small proportion of gross take-up (unlike in Sheffield). In addition, the annual rate of losses appears to have remained relatively stable, with no discernible reduction in activity post-recession – although it is acknowledged that only 2-3 years of data from prior to the economic downturn is available for consideration.
- 9.55 Mindful of the above, the need to replace losses is perhaps less acute than in Sheffield, as a failure to do so would result in a much less pronounced erosion of the available stock of employment land. It is therefore considered appropriate to allow for the replacement of losses at 50% of historic rates.
- 9.56 Losses over the period 2006-2014 have averaged approximately 4,870sq.m per annum. Including an allowance for the replacement of losses at 50% of past rates therefore equates to some 2,435sq.m per annum over the period to 2031. The resultant gross floorspace requirements (disaggregated by use class) are set out in Table 9.12 and Figure 9.3.

Table 9.12 Gross Floorspace Requirements in Rotherham by Scenario, 2015-2031 (sq.m)

	a. Policy-Neutral (Experian) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take- Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	89,140	109,780	277,090	107,990
Manufacturing (B1c/B2)	9,810	177,160	414,025	174,215
Warehousing/ Distribution (B8)	101,490	127,750	340,960	125,780
Total	200,440	414,695	1,032,075	407,985

Source: NLP analysis

Figure 9.3 Gross Floorspace Requirements by Scenario (2015-2031)



Source: NLP analysis

9.57 The range of total (gross) floorspace requirements generated is very wide – between 200,440sq.m and 1,032,075sq.m depending upon the approach used. The lowest requirement represents just 19.4% of the requirement identified at the upper end of the range.

9.58 Whilst the range of significant with respect to all B class uses, it is most pronounced in relation to (B1c/B2) manufacturing. The baseline employment forecasts yield a requirement for just 9,810sq.m, whereas a continuation of past take-up would imply a need for 414,025sq.m. The bottom end of this range represents just 2.4% of the figure identified at the upper end.

- 9.59 With respect to (B1a/b) office space, it can be seen from Figure 9.3 that the baseline, policy-on and labour supply scenarios are all broadly in alignment regarding future need – with projected requirements ranging from 89,140sq.m to 109,780sq.m. All three, however, are significantly lower than past take-up rates.
- 9.60 A similar situation is observed with respect to (B8) warehousing space. The requirements generated under the baseline, policy-on and labour supply scenarios all converge around a relatively small range of between 101,490sq.m and 127,750sq.m. All three scenarios, however, are significantly lower than past levels of take-up which imply a need for 340,960sq.m to 2031.
- 9.61 It is recognised that the assumptions applied in order to convert net floorspace requirements into gross figures (the safety margin and an allowance for the replacement of losses) differ for Sheffield and Rotherham. Whilst it is acknowledged that the two authorities fall within the same FEMA, such an approach is considered to be wholly appropriate – particularly given the emphasis placed upon market signals and commercial market intelligence within the Practice Guidance. This is because the two local authority areas are characterised by different commercial market conditions and supply-side dynamics, as summarised in the paragraphs below.
- 9.62 The purpose of applying a safety margin is to provide some flexibility in provision and to serve as a buffer to allow for: delays in sites coming forward and uncertainties in the forecasting process. Sheffield includes a number of sites held for expansion, as well as a number which are constrained by site assembly and clearance issues and require extensive remediation. All of these factors are likely to increase lead-in times for the provision of employment space and create further uncertainty regarding delivery. In contrast, Rotherham benefits from a greater supply of large, developable sites and fewer parcels of land that require assembly, clearance and remediation works.
- 9.63 In addition, Sheffield contains a commercial market that is characterised by a greater number of individual and localised markets when compared to Rotherham. This is a function of the relative scale of the two authorities in terms of their: population; economy; business base; and stock of employment space. The presence of a larger number of distinct, local markets – coupled with the need to ensure the provision of an adequate range and choice of sites within each – increases the need for flexibility in the portfolio.
- 9.64 Taking account of the factors outlined above, it is considered necessary to allow for a greater safety margin in Sheffield than in Rotherham when forecasting future employment land needs.
- 9.65 With respect to the replacement of losses, the factors outlined below are considered to be of relevance. Taken together, it is considered that they demonstrate that the need to replace losses Sheffield is greater than in Rotherham:

- Historic losses in Sheffield have accounted for a much greater proportion of gross take-up than in Rotherham. It should also be noted that the data excludes the further erosion of employment space through office to residential conversions under the Permitted Development Rights, which is understood to be a particular issue in Sheffield;
- Historic losses in Rotherham have generally been small scale in nature. In contrast, losses in Sheffield have included a number of large employment sites. The loss of larger sites (as opposed to the piecemeal development of infill parcels of land) has a potentially greater impact on the demand-supply balance; and
- Consultation with agents and stakeholders suggested that data on losses in Sheffield for the period 1989 to 2014 could under-estimate future demand for B class space from non-B class uses. The data shows a steep decline in losses as a consequence of the recession, but recent activity appears to suggest a return to the underlying (pre-recession) trend of stronger levels of demand. Stakeholders did not raise any similar concerns in relation to Rotherham, where losses of employment land have remained more stable over time.

9.66 Having regard to the factors outlined above, NLP consider that it is preferable, on balance, to ensure that this study adjusts the input assumptions (where appropriate) in order to best reflect local circumstances in both Sheffield and Rotherham, rather than to simply apply a one-size-fits all approach.

Estimated Land Requirement

9.67 For each of the scenarios discussed in the preceding paragraphs, the gross floorspace requirements (by use class) have been translated into land requirements. The land requirements have been calculated by applying the following plot ratio assumptions to the floorspace estimates:

- **Industrial:** a plot ratio of 0.4 was applied, so that a 1ha site would be needed to accommodate 4,000sq.m of employment floorspace; and
- **Offices:** it was assumed that 50% of new floorspace would be provided in higher density town centre developments with an average plot ratio of 2.0, with 50% of space provided on lower density development with a plot ratio of 0.4 (typically observed on business park environments).

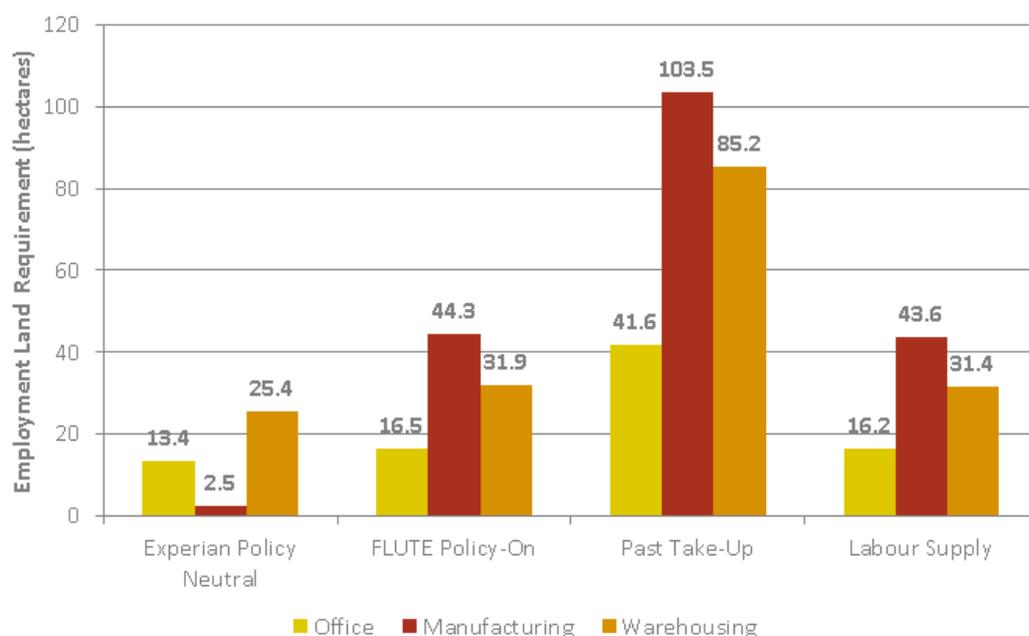
9.68 The resulting land requirements are set out in Table 9.13 and Figure 9.4.

Table 9.13 Gross Land Requirements by Scenario, 2015-2031 (hectares)

	a. Policy-Neutral (Experian) Job Growth	b. Policy-On (FLUTE) Job Growth	c. Past Take- Up Rates	d. Labour Supply (SHMA)
Offices (B1a/b)	13.4	16.5	41.6	16.2
Manufacturing (B1c/B2)	2.5	44.3	103.5	43.6
Warehousing/ Distribution (B8)	25.4	31.9	85.2	31.4
Total	41.2	92.7	230.3	91.2

Source: NLP analysis

Figure 9.4 Gross Land Requirement by Scenario, 2015-2031 (hectares)



Source: NLP analysis

Sensitivity Testing

9.69 In considering the range presented above, it is important to test how reasonable each scenario appears against other factors and how sensitive they are to any adjustment of the underlying assumptions.

Take-Up Rates

9.70 The historic data used to underpin the take-up scenario considered within this section includes two particularly large developments:

- 112,912sq.m of B8 warehousing floorspace developed on Brookfields Park in 2007 and occupied by Next; and

- The delivery of RMBC's new civic offices in 2011, comprising of 28,870sq.m of floorspace.

9.71 Discussions with stakeholders at the workshop event highlighted a consensus view that both schemes should be included within any assessment of demand. In particular, stakeholders suggested that take-up – as a measure of demonstrable demand – should capture *all* activity that has taken place over a given period of time.

9.72 Notwithstanding the above, it is considered unlikely that RMBC would need to plan to accommodate additional demand of this magnitude to meet the Council's own office requirements over the period to 2031. Furthermore, the wider market intelligence collected as part of this study does not provide any compelling evidence to suggest that it would be reasonable to plan for demand of this scale from the private sector.

9.73 With respect to the Next development at Brookfields Park, it must also be recognised that a number of large sites in Rotherham have been assessed as part of this study. In comparison with Sheffield, therefore, it is perhaps less likely that any future demand for large distribution development in the Borough would remain unsatisfied due to a lack of available land. It must, however, be recognised that some of the larger sites considered – such as AMP – would not be suitable for retail logistics development, due to a specific focus on the advanced manufacturing sector.

9.74 Taking into account the above, it is considered helpful to assess the potential implications of removing the development of RMBC's civic offices from any assessment of future need in Rotherham.

9.75 Assuming that all other methodological assumptions remain unchanged, such an approach would result in:

- The requirement for B1 land falling by 1.5ha under the labour demand and labour supply scenarios and by 9.2ha under the past take-up scenario. This would result in a revised set of B1 requirements ranging from 11.9ha to 32.4ha over the period to 2031;
- The total requirement for B class land falling by 1.5ha under the labour demand and labour supply scenarios and by 9.2ha under the past take-up scenario. This would result in a revised set of total requirements ranging from 39.7ha to 221.1ha.

Replacement of Losses

9.76 The scenarios considered in the preceding paragraphs include an allowance for the replacement of losses at 50% of past trends. This is considered to be appropriate, having regard to the scale and nature of historic losses.

9.77 Nevertheless, it is helpful to understand the impact of this assumption on the overall level of forecast demand. For each of the scenarios considered elsewhere in this section, increasing the replacement of losses from 50% to 66% (to align with the methodology applied in relation to Sheffield) would see

the range of requirements rise from between 41.2ha to 230.3ha to between 44.1ha and 233.2ha.

- 9.78 Increasing the allowance further, to replace 100% of losses, would see the range increase to between 50.1ha and 239.2ha.

Scale of Growth

- 9.79 As set out in Section 5.0, Rotherham currently contains an estimated 2.31 million sq.m of employment floorspace, comprising of 2.08 million sq.m of industrial stock and 234,000sq.m of office space. This provides a useful benchmark for assessing the scale of change (in gross floorspace terms) implied by each of the scenarios considered in the preceding paragraphs.

- 9.80 In relation to the future demand for **office space**:

- The Experian policy neutral scenario generates a requirement for 89,140sq.m (gross) of floorspace. This would be equivalent to an **38%** increase in stock;
- The policy-on scenario generates a requirement for 109,780sq.m (gross) of floorspace. This would be equivalent to a **47%** increase in stock;
- Past take-up rates imply a need for 277,090sq.m. This would be equivalent to a **118%** increase in stock; and
- The labour supply scenario yields a requirement for 107,990sq.m (gross) of floorspace. This would be equivalent to a **46%** increase in stock.

- 9.81 In relation to the future demand for **industrial space**:

- The Experian policy neutral scenario generates a requirement for 111,300sq.m (gross) of floorspace. This would be equivalent to a **5%** increase in stock;
- The policy-on scenario generates a requirement for 304,910sq.m (gross) of floorspace. This would be equivalent to a **15%** increase in stock;
- Past take-up rates imply a need for 754,985sq.m. This would be equivalent to a **36%** increase in stock; and
- The labour supply scenario yields a requirement for 299,995sq.m (gross) of floorspace. This would be equivalent to a **14%** increase in stock.

Summary

- 9.82 Rotherham's Core Strategy includes a requirement to plan for 235ha of employment land across the Borough over the period 2013 to 2028. It is understood that this figure was derived having regard to a variety of forecasting techniques, including: labour demand, labour supply and past take-up scenarios.
- 9.83 Following discussions with RMBC Officers, it is understood that the Publication Core Strategy resulted in no significant opposition to the employment land requirement identified. In addition, and following an independent examination

of RMBC's Core Strategy and supporting evidence, the Council's decision to plan for 235ha of employment land was adjudged to be sound. The Inspector's Report concluded that the background evidence was "*convincing in its recommendation that the Core Strategy should provide for 230ha of land for new economic development and up to 5ha for new office floorspace.*"

(Paragraph 112)

9.84 Within the context of the above, it should be noted that NLP has not been commissioned by RMBC to derive a new employment land requirement for the Borough. Nevertheless, it is helpful to consider the extent to which more up to date analysis aligns with the data underpinning the Borough's Core Strategy and the employment land requirement contained therein.

9.85 The core strategy is understood to be predicated on growth of between 12,000 and 15,000 jobs in Rotherham over the 15 year period 2013 to 2028. As part of this ELR, two additional labour demand scenarios (covering a 16 year period from 2015 to 2031) have been considered:

- A baseline, policy neutral employment forecast, with projected job growth of 10,980; and
- A policy-On employment forecast, with projected job growth of 13,275.

9.86 A labour supply scenario, which implies a job growth of 6,430 over the period 2015 to 2031 has also been assessed as part of this ELR. Focussing on the labour *demand* scenarios, however, it can be seen that the overall scale of job growth underpinning the figures within Rotherham's Core Strategy aligns relatively well with more recent employment forecasts. This could be considered as providing further evidence that the level of total jobs growth being planned for remains reasonable.

9.87 The employment *land* requirement implied by this level of job growth – as modelled within this ELR – does not, however, appear to align well with the need for 235ha identified within the Core Strategy. The baseline employment forecast generates a need for 41.2ha of employment land over the period 2015 to 2031, whilst this rises to 91.6ha under the policy-on scenario.

9.88 In contrast to Sheffield – where all four scenarios resulted in a relatively small range of requirements – the range identified with respect to Rotherham varies significantly. This would perhaps suggest that the property market dynamics in Rotherham are not fully reflected in the traditional ELR methodology that translates job change into land need. This can also be observed through an analysis of past trends.

9.89 In 2006, there were 92,300 jobs in Rotherham. This figure remained relatively unchanged in 2014 at 92,400 (although it is accepted that this masks a degree of pre-recession growth, as well as post-recession contraction and recovery). Over the same period, however, some 514,265sq.m of B class employment space was developed, at an average of 57,140sq.m per annum. Applying a plot ratio of 0.4 would suggest that this could equate to approximately 14.3ha per annum.

- 9.90 Within this context of negligible job growth giving rise to a demand for 14.3ha of employment land per annum, it could be argued that jobs growth of between 10,980 and 13,275 might reasonably be expected to result in a need for more than between 2.6ha and 5.7ha per annum. As such, planning for the employment land requirements implied by the labour demand scenarios could risk constraining Rotherham's growth potential.
- 9.91 An analysis of the forecasting scenarios considered does show that the Core Strategy requirement of 235ha (over 15 years) aligns closely with the level of demand identified on the basis of past take-up (230ha over 15 years, falling to c.220ha if the development of the RMBC civic offices is excluded). As discussed elsewhere, there are risks associated with planning on the basis of past take-up. Take-up figures reflect past trends observed in an area and may not necessarily represent an accurate reflection of future need (which could be underpinned by structural shifts in the local economy). Set against this, however, it is acknowledged that those stakeholders attending the workshop event raised the prospect that even the past take-up scenario, which is largely influenced by post-recession data, may risk under-estimating future demand within the Borough as a consequence of the time period over which data has been collected.
- 9.92 In summary, the need for 235ha identified within Rotherham's Core Strategy is broadly in alignment with the top end of the range of requirements modelled as part of this exercise. This figure has recently been tested and endorsed by an independent planning inspector at Examination in Public. **As a result, it is not considered unreasonable for RMBC to continue to plan on the basis of a requirement of 235ha.** Nevertheless, it is recommended that the authority should monitor the take-up of employment land across the Borough closely and respond accordingly in the event that demand for land proves to be considerably lower (or higher) than envisaged within the Core Strategy.

10.0 **Qualitative Review of Employment Sites**

- 10.1 This section assesses the characteristics and quality of employment sites in Sheffield and Rotherham and their suitability to meet future employment development needs across both authorities. Further detail on individual sites, and their performance against the site assessment criteria, can be found in the site assessment matrix (Appendix 4).
- 10.2 The assessment considers a range of sites identified for review by SCC and RMBC. In the case of Sheffield, sites comprise of:
- A series of identified employment sites that have been assessed previously, in the City's 2013 ELR. Such sites were only put forward for an updated review in those instances where SCC considered that circumstances may have changed since the 2013 site visits; and
 - A small number of new sites which SCC officers considered may offer some potential as development opportunities in order to accommodate employment uses.
- 10.3 Within Rotherham, the sites put forward by RMBC for consideration as part of the site assessment exercise also comprise of both:
- Existing employment allocations; and
 - Sites with no current policy status in relation to employment uses, but which council officers considered may offer some scope to be developed to accommodate B class uses in future.
- 10.4 All site visits were undertaken by NLP; each site was individually inspected and its suitability for employment use assessed against specified criteria, as set out below.
- Access to the strategic road network and local road access;
 - Proximity to the urban area, services and labour markets;
 - Adjoining uses that may constrain the form of development;
 - Site size, characteristics and potential constraints to development; and
 - Market attractiveness.
- 10.5 It should be noted that the criteria outlined above reflect those set out in the former ODPM Guidance on Employment Land Reviews, as well as the more recent Practice Guidance.
- 10.6 The remainder of this chapter focuses on providing a qualitative review of each site that was assessed. The sites are presented for each local authority area in turn, with the analysis further categorised on the basis of Sub-Areas (Sheffield) and Character Areas (Rotherham). A brief analysis of each Sub-Area/Character Area is provided, as well as an overview of site characteristics and scores for each area.

Overview of Sites

10.7 The following tables illustrate the geographical distribution of employment land that has been considered in this report within the two local authorities. Within Sheffield, the majority of land (in gross terms) is concentrated within the Lower Don Valley, with the lowest levels of supply located in the City Centre and the Mosborough/Woodhouse area. It should be noted, however, that the figures outlined in the table simply relate to those sites assessed as part of this exercise, rather than Sheffield's full stock of employment land. This is considered in greater detail in Section 11.0.

10.8 In relation to Rotherham, the overwhelming majority of the land assessed through this ELR is located within the Southern Character Area with the supply particularly tight in the Northern Character Area. As with Sheffield, it must be noted that the figures outlined in the table simply relate to those sites assessed as part of this exercise, rather than Rotherham's full stock of employment land. This is assessed in greater detail in Section 12.0.

Table 10.1 Sheffield Sites

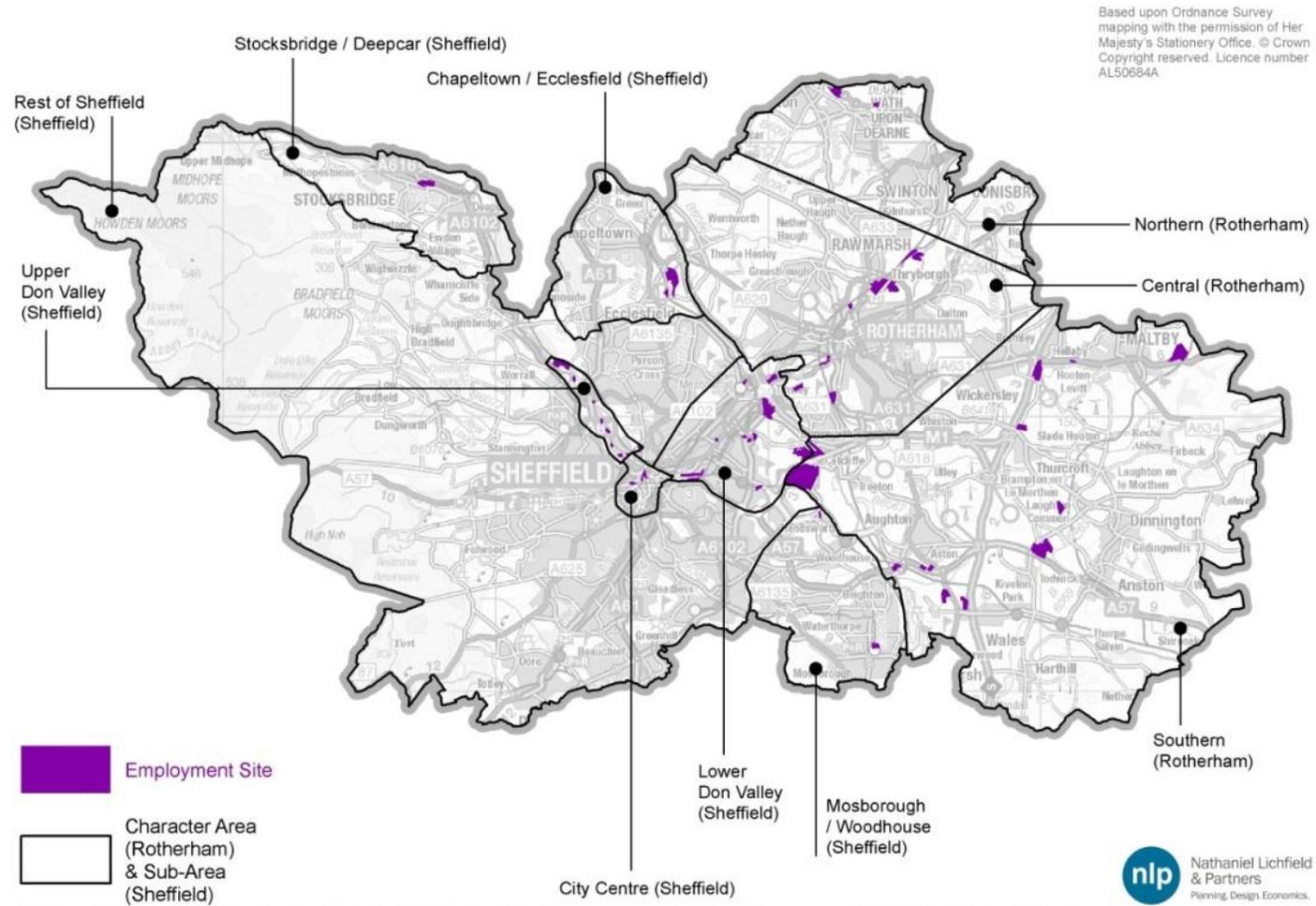
Sheffield Sub-Areas	Number of Sites	Employment Land in Hectares (Gross)	Employment Land (Net)
Stockbridge/Deepcar	1	9.37	3,076sq.m
Upper Don Valley	9	21.18	7.97ha
City Centre	2	4.26	81,000sq.m
Lower Don Valley	13	58.68	50.83ha
Mosborough/Woodhouse	2	5.25	5.25ha
Chapelton/Ecclesfield	3	23.09	22.25ha
Total	30	121.83	86.3ha (plus 84,076sq.m of floorspace)

Table 10.2 Rotherham Sites

Rotherham Character Area		Employment Land in Hectares (Gross)	Employment Land in Hectares (Net)
Northern	3	10.42	8.02
Central	9	53.48	43.21
Southern	15	195.16	150.16
Total	27	259.06	201.39

10.9 The spatial distribution of sites is also shown in Figure 10.1.

Figure 10.1 Spatial Distribution of Assessed Sites



Sheffield Sites

Stockbridge/Deepcar Sub-Area

Sub-Area Overview

- 10.10 The Stockbridge/Deepcar Sub-Area is located to the north west of the city centre, with the northern boundary of the sub-area running along part of the northern boundary of the SCC administrative area.
- 10.11 Only one site within this location was put forward by SCC for assessments as part of this study. This site, which is summarised in the table below, has a gross site area of 9.37ha, although it is anticipated to deliver just 3,076sq.m of B class floorspace as part of a mixed-use development proposal.

Table 10.3 Stockbridge/Deepcar Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
(08/02703/FUL) Corus and Outokumpu Works, Ford Lane/Manchester Road/Hunshelf Road	9.37	3,076sqm	20
Total	9.37	3,076sq.m	

Corus and Outokumpu Works, Ford Lane/Manchester Road/Hunshelf Road (08/02703/FUL) (NLP ref: 1)

- 10.12 This is a large development site comprising of 9.37ha of land. Local road access to the south of the site is mediocre; the B6088 is narrow in places and runs through residential areas. Whilst the existing industrial units to the west of Hunshelf Road currently remain on the site, all previous industrial units to the east of Hunshelf Road have been demolished and construction has begun in respect of a recently approved planning application (ref: 08/02703/FUL). The planning consent includes the provision of 3,076sqm of B1(a) office space as part of a retail-led mixed-use development.

Upper Don Valley Sub-Area

Sub-Area Overview

- 10.13 The Upper Don Valley comprises a strip of land extending north west from Sheffield City Centre. Nine sites, with a combined gross site area of 21.18ha (7.97ha of net developable land), were identified by SCC for assessment as part of this exercise.
- 10.14 A summary of the sites is provided in Table 10.4 and the paragraphs that follow.

Table 10.4 Upper Don Valley Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Clarkson Osborne site, Penistone Road (E00001)	1.51	1.51	24
Cannon Brewery, Rutland Road (P00008)	0.80	0.80	20
Stanley Tools, Rutland Road (P00026)	1.15	1.15	15
Former Clifton Steelworks, Club Mill Road / Hoyland Road (P00236)	0.77	0	21
Livesey Street / Doncaster Lane (P00251)	1.07	0	22
Site of Doncasters, between Rivers Loxley and Don (P00256)	1.50	1.50	16
Beeleywood, Claywheels Lane (P00258)	12.41	3.01	19
United Cranes Site, Claywheels Lane (P00259)	1.33	0	20
Rawson Spring Road (P00430)	0.64	0	22
Total	21.18	7.97	

Clarkson Osborne site, Penistone Road (E00001) (NLP ref: 2)

10.15 This site comprises 1.51ha of land and is surrounded by a mixture of B Class uses. All previous industrial buildings on the site have been demolished and the site cleared for redevelopment. As the site is located on the A61, strategic access is very good. Local access could be achieved directly from the A61 or from within the existing industrial park on Rutland Way. The local road network, particularly to the east of the site, is of poorer quality, becoming narrow in places and passing under a railway bridge (with a maximum height of 4.8m) on Rutland Road. Bounded by the River Don to the north, the site is within Flood Zone 2. It is understood that a planning permission for the demolition of buildings and erection of 1 self-storage unit and erection of 8 units (Class B1 light industry/trade counter) has been implemented. It is understood that the developer intends to bring the site forward for trade counter uses. Whilst trade counter and B class uses can co-exist alongside one another, it is considered unlikely that the site will make a significant contribution to the City's portfolio of B class employment land over the Plan period.

Cannon Brewery, Rutland Road (P00008) (NLP ref: 5)

10.16 The site has an area of 0.80ha and comprises a derelict brewery, with buildings covering the vast majority of the site area. Located within close proximity of the A61, the site benefits from good strategic access. The condition of the local road network, however, is poor. Roads are narrow and pass under a low railway bridge on Rutland Road to the north east of the site. The site is generally level and is surrounded by a mixture of industrial and commercial units (such as Enterprise car rental and independent MOT garages opposite the site on Rutland Road). The site falls within Flood Zone 2, reflecting its proximity to the River Don. Whilst it is recognised that the site could potentially be redeveloped in order to accommodate employment uses, this would require the demolition or refurbishment of the derelict premises that

currently occupy the site. It is understood that consent for the demolition of the building was granted at a Planning Committee in August 2015.

Stanley Tools, Rutland Road (P00026) (NLP ref: 6)

- 10.17 The former Stanley Tools site extends to 1.15ha and is occupied by a series of large, partly derelict buildings – the majority of which are currently vacant. The southern corner of the site is currently in use as a builders’ merchant’s yard. The topography of the site – being located on a steep hill – is likely to complicate any potential redevelopment. Local access to the site via Rugby Street is poor; the road is narrow and congested as well as being partially cobbled. There is also a low railway bridge within close proximity of the site. There are a variety of surrounding uses including manufacturing, motor repairs and storage. In 2008, planning permission was granted for a residential led scheme, comprising 172 residential units, 6 office units (B1) and 31 work units (B1); this development has not been implemented and the permission has now expired. Part of the site remains occupied and consequently cannot be considered as part of the City’s supply of generally available land. The remainder of the site – whilst available in principle – would require the demolition or refurbishment of existing buildings.

Former Clifton Steelworks, Club Mill Road / Hoyland Road (P00236) (NLP ref: 20)

- 10.18 The whole 0.77ha site is currently in use as a Waste Transfer and Recycling Centre – meaning that no land is available for development. The site is relatively flat. The river runs along the western boundary and consequently the entire site falls within Flood Zone 2, with a part also falling within Flood Zone 3A. The site has very good access to the A61. However, the local road network – primarily to the east of the site – is poor, comprising of narrow, winding roads that can become easily congested due to the intensity of car parking along the roadsides during working hours. Other B Class uses surround the site to the north east, east and south east. Given that the site is occupied by TK Lynskey, and with no evidence of their desire to leave, the land cannot be considered as being available to the general market to meet Sheffield’s future employment space requirements.

Livesey Street / Doncaster Lane (P00251) (NLP ref: 21)

- 10.19 The site comprises an area of 1.07ha and is currently occupied by ‘Hillsborough Fencing’ (meaning that no land is available). In 2010, planning permission was granted for the erection of a single-storey building for use as a workshop, trade outlet/counter and associated offices (use class A1/B1/B2) (09/01921/FUL). Access to the site is taken from Livesey Street on the site’s northern frontage. Viewing the site from this perspective, it appears relatively flat. High metal screening positioned along the sides of the site prevented views into the southern part of the site, although discussions with SCC officers have indicated that – in accordance with the Design and Access Statement submitted alongside the above application – the area to the rear of

the building is being used for the external storage of timber products. Industrial uses are located to the south of the site, whilst Hillsborough College lies to the east and a sports ground to the north. Given that the site is currently occupied – and cannot be considered to be available to the general market – the site is not relied upon within this study to help meet the City’s future employment land needs.

Site of Doncasters, between Rivers Loxley and Don (P00256) (NLP ref: 22)

- 10.20 The site consists of 1.5ha of spare land located to the front of Doncasters Precision Forgings. The site’s key constraint relates to accessibility, which is likely to be unsuitable for HGVs and other large vehicles, thereby limiting the type of activity that could occur on site.
- 10.21 Whilst strategic access – via the A61 – is in principle good, local access is achieved via a very narrow road which runs between two car dealerships and across an equally narrow bridge. The land itself is relatively flat and the river runs along the south western boundary meaning the site is wholly within Flood Zone 2 and partially within Flood Zone 3A. A small section of this land was used for informal car parking at the time of the visit. To the south west of the site lie a cluster of car dealerships which front the A61.

Beeleywood, Claywheels Lane (P00258) (NLP ref: 23)

- 10.22 This is a large site, comprising 12.74ha of land. In accordance with security procedures, the site could only be viewed from the entrance. It is understood that much of the land identified for assessment has recently been developed (with occupiers including International Stone, Ballast Phoenix and Stone Face) with a parcel of greenfield land to the east the only plot which remains undeveloped (totalling 3.01ha). However, it is understood that this has been acquired by Amber Steel. As such, no land is currently available to the general market. Local access is taken from Claywheels Lane, which links directly to the A61 – providing access to the M1. However, Claywheels Lane is narrow in places.

United Cranes Site, Claywheels Lane (P00259) (NLP ref: 24)

- 10.23 This site comprises 1.33ha of land and is occupied by United Crane Services Ltd (meaning that 0ha of land remains available) although the site visit indicated that a number of buildings are in poor condition. Strategic access to the site is good; it is within close reach of the A61 which provides a direct link to the M1. Locally, access to the site is gained via Claywheels Lane, which is narrow in places. Improvements to the junction of Claywheels Lane with A61 have been undertaken in tandem with the construction of the Sainsbury’s Supermarket. As this land is currently occupied – with site visits indicating that it would appear to be a busy, operational site – it cannot be classed as being available to meet future employment requirements in the City.

Rawson Spring Road (P00430) (NLP ref: 30)

- 10.24 This relatively small site (0.64ha) is located off the A61 corridor to the south of Hillsborough Trade Point. The site is currently occupied by 'Hardcores' (a building/paving suppliers) meaning that no land is currently available. Site visits did not identify any permanent structures erected on the site, with the necessary indoor space being provided by large metal storage containers. Planning permission was granted in 2008 for the erection of 11 business units in 2 blocks (B1/B2/B8) (08/04359/FUL) and an extension of time application approved in 2011 (11/02819/FULR), however, the discharge of conditions application submitted later that year was withdrawn (11/02901/COND). The site is within close reach of the A61, providing easy access to M1. The whole site lies within Flood Zone 2, with part of it also falling within Flood Zone 3A. On the basis that the site is currently occupied, it cannot be considered to be available to the general market at present. As such, it cannot be relied upon to help meet the City's future employment land needs.

City Centre Sub-Area

Sub-Area Overview

- 10.25 Two sites within the City Centre, with a total gross area of 4.26ha were put forward by SCC for assessment. It is anticipated that the sites could provide sufficient available land to accommodate 81,000sq.m of office space. Both sites comprise of brownfield land and contain existing buildings, but benefit from excellent links to central services and local labour.
- 10.26 The sites are summarised in the table below.

Table 10.5 City Centre Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
West Bar Triangle (P00121)	2.96	81,000sq.m	27
Footprint Tools and Synters (P00426)	1.30	0	20
Total	4.26	81,000sq.m	

West Bar Triangle (P00121) (NLP ref: 7)

- 10.27 This is a large site situated in a strategic location in the city centre and on the edge of the A61. There are a mixture of existing uses on the site, including car parking (the most prevalent land use), manufacturing, car hire and office use, alongside some vacant land. There are also a variety of uses surrounding the site, including the Courts, offices and residential. The site is well placed on strategic road network, with the A61 providing access to the M1. Although the area was previously an established employment area, roads running through the site are generally narrow and winding.
- 10.28 It is understood that a planning permission has been granted for a mixed-use redevelopment of the site, to include 81,000sq.m of office floorspace alongside the provision of new residential, retail and leisure units.

Footprint Tools and Synters (P00426) (NLP ref: 29)

- 10.29 Site visits indicated that the majority – if not all – of this 1.3ha site is occupied by Synter Sheffield BMW. As such, 0ha of land remains available for development. The building frontage (on Broad Lane) is used as a Car Showroom, with the buildings behind in use for the storage of new cars. The site is positioned on a steep hill, making local access from side roads difficult; roads are also very narrow. The site is well connected and within close proximity to the A61. There are a variety of uses within close proximity to the site; ranging from industry and office to residential (include student accommodation). The site's central location means that is well served by public transport. Whilst the original building appears dated and in need of modernisation, the frontage on Broad Lane has been recently modernised and finished to a high quality. As the site is occupied by BMW and there are no spare parcels of land for future employment development, this site cannot be classed as contributing to the forward supply of developable land within Sheffield.

Lower Don Valley Sub-Area

Sub-Area Overview

- 10.30 The Lower Don Valley is located to the east of Sheffield City Centre and is bounded by the RMBC administrative area to the east.
- 10.31 13 sites, comprising of a total gross area of 58.68ha (50.83ha available for development) were put forward by SCC to be considered as part of the site assessment exercise. The majority of this supply is located on two sites (19.54ha at Outokumpu, Shepcote Lane and 15.8ha South and East of Former Airport (AMP 2)).
- 10.32 In general, the sites put forward for assessment can be characterised as parcels of brownfield land located within existing and established employment areas. The quality of sites does, however, vary considerably.
- 10.33 The 13 sites are summarised in the table overleaf.

Table 10.6 Lower Don Valley Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Meadowhall Passenger Transport Interchange and Petrol Filling Station (E00002)	1.22	0	23
South and east of the former airport (AMP2) (E00003)	15.80	15.80	31
Rear of Davy McKee, Prince of Wales Road (P00136)	2.07	1.66	16
Broadlands, Lumley Street (P00141)	2.44	0.98	23
Calor site, Shepcote Lane (P00143)	1.52	1.52	24
Former Dr John Worrall School, Attercliffe (P00160)	0.68	0.62	20
Huntsman's Gardens (P00169)	1.11	0.19	21
Lumley Street (P00174)	3.26	3.09	22
Outokumpu, Shepcote Lane (P00182)	19.54	19.54	28
Ripon Street/Woodbourn Hill (P00187)	0.65	0.65	20
Shepcote Lane/Europa Link (P00192)	2.21	1.73	28
Vantage Riverside (P00200)	5.54	3.63	26
Nunnery Sidings (East) (P00219)	2.64	1.42	20
Total	58.68	50.83	

Meadowhall Passenger Transport Interchange and Petrol Filling Station (E00002) (NLP ref: 3)

10.34

This strategically located site, positioned just off of the M1, comprises 1.22ha of land. At present, however, the site comprises an operational bus station and petrol station – part of a wider transport hub with direct pedestrian connections between the train station and tram terminal, as well as the Meadowhall shopping centre. As a consequence 0ha of land remains available for development. Local road access is good but does get very congested at peak times, particularly due to the traffic generated by shoppers at Meadowhall. The majority of the site is flat, although it does rise steeply on the north eastern boundary. A variety of B Class uses are located in the wider area, particularly along the A61, there are a variety of B Class uses. Given that the site in use as a part of the Meadowhall transport hub, the allocation of this site as employment land is not seen as either deliverable or practical. The site is not available for redevelopment to accommodate employment uses and should not be considered as part of the employment land portfolio.

South and east of the former airport (AMP2) (E00003) (NLP ref: 4)

10.35

This 15.8ha site comprises a large, relatively flat parcel of land, with excellent strategic access (the A630 links directly to the M1). Immediately to the north of the red line boundary, on the site of the former airport, land is currently being redeveloped to accommodate the University of Sheffield Advanced Manufacturing Centre: AMRC Factory 2050. There is a large cluster of buildings to the north of this site, several of which are used for advanced manufacturing, which form part of the Sheffield Business Park. The roads

through the business park are modern and of a high quality and bus stops are located throughout. Construction of further roads may be required to serve future development on the site. It is considered that the site is appropriate for a range of employment uses, specifically those in the advanced manufacturing sector, in order to complement existing uses on the site.

Rear of Davy McKee, Prince of Wales Road (P00136) (NLP ref: 8)

- 10.36 This site comprises of 2.07ha of land, with 1.66ha remaining available for development. The site is landlocked, meaning that access to the site could not be gained to conduct a full inspection of the site. The site is over 5km from the M1 and access to the strategic highway network is via a residential area. The entire south eastern boundary of the site backs onto the rear gardens of the residential properties of Handsworth Avenue. Given the access issues, it was not possible to assess the quality of existing buildings nor the extent of development to date. The land is bound to the north by the railway line and appears to be covered in dense vegetation. There may be scope to create an access to the site from the north of Handsworth Avenue through land adjacent to the railway line. Given its position between residential properties and heavy industry, the site would be suitable for B1/B8 uses, however, due to its current landlocked situation, market attractiveness remains low.

Broadlands, Lumley Street (P00141) (NLP ref: 9)

- 10.37 This is a large, flat site which comprises 2.44ha of land that is set at a higher level than the road. The eastern half of the site is occupied by Veolia Waste Management; development on the land includes a large car park and one industrial shed. The western half (accounting for 0.98ha) is undeveloped and overgrown with vegetation. The only access to the site is via the Veolia entrance on Lumley Street. The local road network is reasonable and provides access to the A57, which is within close proximity of the site. The A57 is, however, accessed via Bernard Road, which contains a low railway bridge (4.7m). The site is within an established industrial area and is quite close to local services and labour. Given the access arrangements, it is considered that the western part of the site would be best suited to the expansion of the existing use.

Calor site, Shepcote Lane (P00143) (NLP ref: 10)

- 10.38 The site comprises 1.52ha of vacant land within an existing business park. The site is undeveloped, with a vehicular access from the industrial park already in place. The site appears relatively flat and is of a good size. The local road network through and into the industrial park is reasonably good and the site is close to strategic road networks; access to the M1 is gained from A631. Over time, the site has become overgrown with vegetation. The whole site lies within a Hazard Installation Consultation Zone. Being an infill plot within an established business park, in principle the site should be suitable to accommodate B1/B2/B8 uses.
-

Former Dr John Worrall School, Attercliffe (P00160) (NLP ref: 12)

- 10.39 The site comprises 0.68ha of land – 0.62ha of which is cleared and available for development – in the middle of a busy industrial estate, which has been cleared for development. Access would be taken from Maltby Street, which is a narrow road. At the time of the visit there were several cars parked on the streets of the industrial estate, giving rise to some localised congestion. The industrial estate appears to be relatively popular, with the majority of units seemingly occupied, although a small number of vacant units were observed during site visits. The site is within close proximity to Attercliffe Common; a major route providing access to the M1. There appears to be a single residential property on the end of Maltby Street adjacent to the site. The site is ready for development and is suitable for a range of employment uses.

Huntsman's Gardens (P00169) (NLP ref: 13)

- 10.40 Approximately 80% of this 1.11ha site has now been developed and comprises a modern, good quality industrial shed. This is being used as a depot. The land to the south of this (accounting for 0.19ha) remains available for further development; however, due to its size and location at the end of a cul-de-sac where the road becomes narrow, it is considered that market attractiveness of the site for a separate development is low. The local road network around the site is poor; the roads are narrow and congested with vehicles parked along the road side. Once on the A631, strategic access is good, with the M1 being within easy reach. It is recommended that the remaining 0.19ha of the site is retained for employment uses.

Lumley Street (P00174) (NLP ref: 14)

- 10.41 This is a 3.26ha site that contains several derelict buildings. It is estimated that 3.09ha of land remains available for development. Generally, the land levels appear to be relatively flat. The site benefits from an existing access point from Ripon Street, whilst there would also appear to be potential to provide access via Lumley Street. The local road network is reasonable and strategic access is achieved via Attercliffe Common or the A57. The site is located within an urban area and has good access to local services and labour markets. The site offers good potential for industrial uses – subject to the refurbishment or redevelopment of the existing derelict buildings on site – and such provision would be in keeping with the existing industrial uses which surround the site.

Outokumpu, Shepcote Lane (P00182) (NLP ref: 15)

- 10.42 The former site of Outokumpu Works comprises of 19.54ha of land which has been cleared for redevelopment. Within the site, the previous infrastructure can be seen (roads, bollards and traffic lights). The site is large, with relatively flat topography. It has excellent strategic access to the M1 via the A631, as well as direct access onto the A631 itself. There is a residential street to the north of the site. The whole site falls within a Hazardous Installation Consultation Zone and it is suspected that the site may have contamination issues. It is also

understood that the site may be affected by the HS2 proposals. The surrounding area is characterised by industrial development that is not of a particularly high quality. Nevertheless the site is considered to offer the potential to meet future demand for industrial space.

Ripon Street/Woodbourn Hill (P00187) (NLP ref: 16)

- 10.43 This 0.65ha site comprises of two parcels of undeveloped land, located on either side of Ripon Street. The sites have a varied topography but generally slope down towards Worthing Road. The site is bound by a tram line to the east and there are other industrial uses to the west. The local road access is reasonable and strategic access is achieved via Attercliffe Common to the M1. Being within in an urban area, the site has good access to local labour markets and services. It also benefits from being within close proximity to a tram stop. Part of the site lies within a Hazardous Installation Consultation Zone. The site is likely to be suitable for a range of industrial uses.

Shepcote Lane/Europa Link (P00192) (NLP ref: 17)

- 10.44 The site comprises a 2.21ha parcel of undeveloped land situated within a modern business park. Approximately 1.73ha of land remains available for development, with the north eastern tip being used by VW Commercial Vans – the occupiers of an adjacent car showroom. The main body of the site is relatively flat, although the land does fall away along the southern and western boundaries. The local road network within Sheffield Business Park is modern and of a good quality and the site is surrounded by several industrial units. Strategic access from the site is also good, with access to the M1 being provided via the A631. The site lies partially within a Hazard Installation Consultation Zone. Given the above factors, the market attractiveness is high and it is considered that the site is suitable to accommodate a range of uses.

Vantage Riverside (P00200) (NLP ref: 18)

- 10.45 This 5.54ha site is divided into two parcels by Lock Lane. The site adjoins the existing Vantage Business Park at the south west of the site. It has excellent strategic access, with the M1 and A57 being within close proximity to the site. The local road access is good; the site could potentially have direct access to the A6178. The amount of developable land available could be compromised by the Bus Rapid Transit North Tinsley Link Road, which is planned to intersect the site at Lock Lane. There are residential properties to the south of the site and further industrial development to the east. The river runs along the northern boundary of the site. Two industrial sheds are currently under construction on the eastern side of the site, reducing the supply of available land to 3.63ha. The remainder of site is appropriate for employment development and is available to assist in meeting future demand for employment use.

Nunnery Sidings (East) (P00219) (NLP ref: 19)

- 10.46 The site comprises 2.64ha of land. There are two industrial buildings positioned to the east of the site, with undeveloped land (accounting for approximately 1.42ha) lying to the west. It is understood that floorspace is available to rent in both units and both are being marketed at present. Access to the site is currently via Woodbourn Road and the undeveloped land is consequently landlocked by the existing industrial units. The A57 does, however, run to the south of the site and this could offer the possibility for a direct access into the undeveloped land. Given the current access arrangements, it is considered that the site would be suitable for an expansion of the existing development, however, it is difficult to see how this could be classed as generally available land unless access issues are resolved.

Mosborough/Woodhouse Sub-Area**Sub-Area Overview**

- 10.47 The Mosborough/Woodhouse Sub-Area is positioned to the south east of Sheffield city centre.
- 10.48 Two sites, with a total gross area of 5.25ha combined, were put forward by SCC for assessment. The sites are considered in the table below and in the subsequent paragraphs.

Table 10.7 Mosborough / Woodhouse Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Former Asda site, Orgreave Place (P00155)	1.13	1.13	24
Mosborough Wood Business Park (P00376)	4.12	4.12	24
Total	5.25	5.25	

Former Asda site, Orgreave Place (P00155) (NLP ref: 11)

- 10.49 This is a large, vacant site with an area of 1.13ha, which is heavily screened by vegetation. The site consists of relatively flat brownfield land, with access routes already in place. A large concentration of B class employment space is located to the south and east of the site, whilst residential development is located to the west. The site is close to the B6200, a main route which provides direct links to the A57. The A57 links directly to the M1 and is a fast moving, major transport route. In 2005, planning permission was granted (reserved matters) for the erection of buildings to be used for B1/B2/B8 uses on the southern part of the site and on land adjoining the site to the north east (05/03665/REM). The site is considered suitable for employment development.

Mosborough Wood Business Park (P00376) (NLP ref: 28)

- 10.50 This is a vacant development site, comprising of 4.12ha of land, situated adjacent to the B6053. Although the site is generally flat, the topography does rise slightly towards the centre and there is a lot of vegetation. To the west of the site lie tramlines, with a tram terminal being located within close proximity to the site. There is a vehicular access already in place from Holbrook Avenue, which gained planning permission as a part of the wider scheme submitted under 09/01616/OUT - mixed use development comprising the erection of units for use as B1/B2/B8. With the exception of the access bridge, no other development has taken place on site. There are a variety of employment uses in the surrounding area. The site has good strategic access with the B6053 linking to the A57. The site is suitable for a range of employment generating uses.

Chapeltown/Ecclesfield Sub-Area

Sub-Area Overview

- 10.51 The Chapeltown/Ecclesfield Sub-Area is located in the north of the city and is bounded by Rotherham to the east. Three employment sites – with a total gross area of 23.09ha (22.25ha available for development) – were put forward for assessment by SCC. Of the three sites identified, the overwhelming majority of employment land is accounted for by 1 site; Smithywood (P00287). This site comprises a vast area of undeveloped greenfield land with a strategic location. The other 2 sites are small and of comparably low quality.
- 10.52 These 3 sites are summarised in the table overleaf and the paragraphs that follow.

Table 10.8 Chapeltown / Ecclesfield Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Former Petrol Depot, Johnson Lane/ Station Road (P00270)	0.94	0.94	14
Next to Arthur Lee Works, Loicher Lane, Ecclesfield (P00279)	0.91	0.91	17
Smithywood, Cowley Hill, Chapeltown (P00287)	21.24	20.40	33
Total	23.09	22.25	

Former Petrol Depot, Johnson Lane/ Station Road (P00270) (NLP ref: 25)

10.53 This is a narrow, irregular shaped site comprising of 0.94ha of land. The site is heavily screened by dense vegetation. The local road network is poor; Johnson Lane is very narrow and congested with parked cars associated with the residential properties. This road would appear to be unsuitable for business traffic. The Station Road frontage is very narrow meaning that access from this point would be difficult. There is also a low railway bridge on this road. On the basis of the site's difficult shape and access constraints, it is recommended that this site is discounted from Sheffield's employment land portfolio.

Next to Arthur Lee Works, Loicher Lane, Ecclesfield (P00279) (NLP ref: 26)

10.54 The site comprises 0.91ha of vacant land adjacent to a batching plant. The land to the north of the batching plant appears to rise higher than the rest of the site and does not appear to be in a good condition. The local access to the site is relatively poor; Station Road is not in a good position and also contains a low railway bridge (4.6m). Once onto the B6087, access to the A629 – which connects to the M1 – is reasonable. The site would be suitable for industrial units, however, the surrounding industrial park is largely characterised by 'bad neighbour' uses and this may dictate the type of occupiers that could be attracted to the site in question.

Smithywood, Cowley Hill, Chapeltown (P00287) (NLP ref: 27)

10.55 This is a large greenfield site, comprising of 21.24ha of land, with the majority of this (20.40ha) remaining undeveloped. The central part of the site is relatively flat, making it suitable for large development, although, part of this site does fall within Flood Zone 2. The site has excellent links to the M1 via the A629, which is a major movement corridor in the local area. Main routes through the site have been constructed and are of good quality. These may need to be extended in order to accommodate further development on the land. The site currently accommodates industrial sheds occupied by DPD and Cutting Wear. Planning permission was granted in 2001 for B1/B2/B8 uses on the site (97/01261/OUT) and subsequent applications have followed from this. It is considered that the market attractiveness of the site is high and that it should be retained as a strategic location for future employment development within the district.

Rotherham Sites

Northern Character Area

10.56 Three sites within the Northern Character Area – with a combined gross area of 10.42ha (8.02 net available) – were put forward by RMBC for assessment as part of this study. All three sites are greenfield and benefit from good access to the strategic road network.

10.57 The sites are summarised in the table below and the following paragraphs.

Table10.9 Northern Rotherham Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Manvers Way, Brampton (E20)	3.51	2.36	25
Manvers Way/ Dearne Lane, Brampton (E19)	4.99	3.74	24
Manvers Way/ Station Road, Wath (E17)	1.92	1.92	21
Total	10.42	8.02	

Manvers Way, Brampton (E20) (NLP ref: 14)

10.58 The site provides 2.36ha of land available for development and is located opposite an existing business park. The north-western part of the site has been developed to accommodate a large industrial shed (with associated car parking and external storage space) which is occupied by Bauber. A new housing development is located to the east, as well as a small retail park including Costa Coffee, KFC and Subway which adjoins the southern boundary of the site. The site is adjacent to the RSPB's Dearne Valley Reserve – 'Old Moor', located to the north west of this site. The site has good access to the strategic highway network and there are bus stops and cycle lanes running alongside the site. The site benefits from the grant of several planning permissions (RB2007/0869; RB2009/0573; RB2010/0747; RB2013/0375), all of which relate to the erection of industrial buildings to accommodate a mixture of B1, B2 and B8 uses. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8.

Manvers Way/ Dearne Lane, Brampton (E19) (NLP ref: 15)

10.59 A partially developed site which is located adjacent to an existing business park, an estimated 3.74ha of developable land remains available. The north western corner of the site has been built out to accommodate a range of B Class uses, as well as a Day Nursery (D1). An access track into the undeveloped land is already in place. The site benefits from good strategic access, with the A6195 and A633 providing good links to the M1. There are bus stops and cycle lanes running passed the site on Manvers Way. Various planning permissions have been granted on the site (RB2007/0393; RB2008/0518; RB2013/0471) all of which relate to the erection of industrial units. The site is considered to be suitable for a range of employment uses.

The Council's draft policy supports B1a (where satisfying the sequential test), B1b/c, B2 and B8 uses on the site.

Manvers Way/ Station Road, Wath (E17) (NLP ref: 16)

- 10.60 This site comprises 1.92ha of undeveloped greenfield land. The site is located in close proximity to other employment uses, although two residential properties immediately about the eastern site boundary. A potential access opportunity already exists on the site; the partially formed site entrance has a direct link onto the existing roundabout on the A633 to the east of the site. Although the site appeared generally flat, some inconsistencies in height were noted – despite the site being heavily screened by trees. Bus stops and cycle lanes are in place on the A633 outwith the site boundary. The site is council owned and has no recent, relevant planning history. The site lies in Flood Zone 2, with a part of it also falling within Flood Zone 3a. This aside, there are no insurmountable barriers to employment development on this site.

Central Character Area

Character Area Overview

- 10.61 Nine sites within the Central Character Area were put forward, by RMBC, for assessment. In total, the sites account for 53.48ha of gross land (43.21ha net available).
- 10.62 The majority of sites within this area are well related to the main urban area of Rotherham and have good access to services. Locations within the west of the area benefit from particularly good access to the strategic highway network, being situated within close proximity to the M1.
- 10.63 The sites within this Sub-Area are summarised in Table 10.10 and discussed in the following paragraphs.

Table 10.10 Central Rotherham Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Land off Rotherham Road, Parkgate (E5)	1.63	1.63	22
Land within Aldwarke Steel Works, Doncaster Road (E10)	7.11	7.11	16
North-East of Parkgate Retail Park (MU20)	14.30	6.00	18
Off Centenery Way/ Bawtry Road (E3)	6.65	6.65	19
Off Grange Lane, Templeborough (E4)	4.40	3.96	24
Parkgate Business Park (South) (E8)	2.06	1.58	22
Phoenix Business Park, Sheffield Road, Templeborough (E11)	2.55	1.50	20
Roundwood Colliery, Off Aldwarke Lane (E9)	6.16	6.16	17
Yorkshire Water Land, Aldwarke (E6)	8.62	8.62	19
Total	53.48	43.21	

Land off Rotherham Road, Parkgate (E5) (NLP ref: 12)

10.64

This is a relatively small, undeveloped site comprising 1.63ha of land to the rear of an existing retail park. The land is flat and a vehicular access into the site has already been formed – it is understood that no significant site constraints exist. The railway line bounds the site to the north and there is an area of established industry to the west and north west. The site has good public transport links with bus stops located on the main road. It is considered that given the site's lack of strong road frontage, it would be better suited for employment purposes as opposed to retail use. This is reflected in the Council's draft policy, which supports B1a (where satisfying sequential test) B1b/c, B2 and B8 uses.

Land within Aldwarke Steel Works, Doncaster Road (E10) (NLP ref: 13)

10.65

The site comprises of 7.11ha of land situated within Aldwarke Steelworks. The main constraint to the development of this site is local access; the site does not have an independent access and can only be entered through the existing steelworks (occupied by Tata Steel). Future development would also have to be sensitive to the habitats created by the Ox Bow. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

North-East of Parkgate Retail Park (MU20) (NLP ref: 17)

10.66

This is a large, brownfield site, comprising of 14.30ha of land. The site was previously used for mineral extraction and contains no built form. It is located within a well-established industrial area, however, its south west boundary also abuts an existing retail park. Local access is poor; Aldwarke Lane is narrow at the point of the site's vehicular access and contains low railway bridges (3.4m and 3.9m). Accessibility constraints are exacerbated by the fact that the site is

bound to both the north west and south east by railway lines, further limiting scope for access improvements. The site is set higher than the road and there are some inconsistencies in levels across the main body of the site. A watercourse runs along site frontage on Aldwarke Lane and the site lies within Flood Zone 3. The Council's Draft policy supports a mixed use scheme consisting of employment uses, retail and leisure; however the policy stipulates that no less than 50% of built form on the site should form employment uses. In line with this policy, and adjusting to take account of the net developable area of the site, RMBC has advised that approximately 6.00ha of net developable areas should be considered as being available to meet future employment demand.

Off Centenery Way/ Bawtry Road (E3) (NLP ref: 20)

- 10.67 The site comprises 6.65ha of land, heavily screened by trees. Strategic access to the site is good, with the A630 providing a direct link to the M1. Locally, however, accessibility to the site is understood to be a potential constraint to development, with RMBC indicating that: a new access road from Centenary Way to serve the site would be unacceptable in principle; and whilst consideration could be given to providing access via Fullerton Way this is also potentially problematic. Mindful of the issues in providing a suitable access into the site, it may be unrealistic to expect the site to be developed out (unless it is as an expansion of the adjacent business premises). A watercourse runs along the east of the site and, as a result of historical flooding; the site is in Flood Zone 2. Further industrial uses lie to the north. Alongside flood risk issues, the site is heavily constrained, with possible contamination that may require extensive remediation to make the land suitable for development. There are two capped shafts in the south western corner of the site, a pylon in the south western corner and the site lies in a Landfill Gas Consultation Zone.

Off Grange Lane, Templeborough (E4) (NLP ref: 21)

- 10.68 Part of the site is being informally used for the storage of stone and wooden pallets, leaving 3.96ha of available land. Strategic access is very good, with the A631 providing a direct link to the M1. Locally, access is achieved by Grange Lane, a long road linking the site to Bawtry Road; this lane is wide enough to accommodate industrial traffic. The closest bus stop is on Bawtry Road. Phoenix Golf Course lies to the south and south east of the site, with industrial uses to the north and north east (the adjoining site is occupied by MTL Group). The site previously benefited from a Local Development Order, with appropriate uses including B1b/c, B2 and B8 albeit there has been no development to date. There are no known constraints to development. Close to an area of established industry and an appropriate distance from residential development, this site constitutes a sustainable location for employment development and could accommodate a range of employment uses.

Parkgate Business Park (South) (E8) (NLP ref: 22)

- 10.69 This is a relatively small site, containing 1.58ha available land. The site is located to the rear of existing retail units, with the prospective frontage facing into the loading areas. To the south east, the site is bounded by the railway line. The site is within close proximity of the existing Parkgate Retail Park and established industrial area of Aldwarke Lane. Access to the site is achieved via Beale Way with potential vehicular access point into the site already formed. Although there are no major constraints to development, it is understood that the site may be prone to surface water flooding in areas adjacent to the railway line. A previously considered infrastructure scheme sought the use of this land to enable access to site MU20 (assessed elsewhere in this report), however, it is understood that this is no longer required under a new scheme currently being considered. The site has no associated planning history, but the Council's draft policy supports B1a (where satisfying sequential test) B1b/c, B2 and B8.

Phoenix Business Park, Sheffield Road, Templeborough (E11) (NLP ref: 23)

- 10.70 The middle section of the site has been developed as a restaurant/pub with ancillary accommodation at first floor (RB2014/1590). Although this leaves an estimated 1.50ha of available land, the remaining plots comprise of two, small and irregular shaped parcels of land on either side of the restaurant/pub, thereby restricting the form of development that can take place. A river runs alongside the site and puts the land in Flood Zone 3, although it is understood that the site benefits from the Flood Alleviation Scheme. Land on the opposite side of the river forms a wetland nature park, acting as an area of flood storage and local nature reserve. A car sales garage lies to the west of the site on the roundabout and office buildings lie to the south of Phoenix Riverside. Previous development along Templeborough was brought forward with the benefit of European Objective 1 funding, although several buildings are understood to be vacant or under-utilised.

Roundwood Colliery, Off Aldwarke Lane (E9) (NLP ref: 24)

- 10.71 This site comprises 6.16ha of land on the site of Roundwood Colliery. The key constraint to the site is access; the site is accessed through the existing steelworks (owned by Tata Steel), whilst public transport provision is also poor. It is understood that there are current workings on the site and development ground levels would likely be different to those that currently exist on site. Some site remediation is being undertaken at present in order to enable development (RB2004/0276) which is expected to be complete by December 2015. Any future development would also have to be respectful of the adjacent heritage site. Draft policy supports B1a (where satisfying sequential test) B1b/c, B2 and B8 uses.

Yorkshire Water Land, Aldwarke (E6) (NLP ref: 27)

- 10.72 This 8.62ha site previously formed part of the sewage treatment works and is understood to still contain settling lagoons. The majority of the site is greenfield land, with the sewage treatment works to the south remaining operational. There is currently no separate access to the site and it is heavily screened by trees on all sides meaning that it was not possible to gain access to the land in order to conduct a full assessment. Access appears to be the main constraint; with challenges including low railway bridges, capacity issues at Mushroom Roundabout and limited public transport provision. The site would also require preparation for development and the formation of an access on Aldwarke Lane. The Council's draft policy currently supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

Southern Character Area

Character Area Overview

- 10.73 The Southern Character Area contains the highest number of sites of all 3 Character Areas, with fifteen sites put forward by RMBC for assessment. The sites have a combined gross area of 195.16ha (150.16ha net available). This includes a number of large sites such as Todwick North (29.96ha available), the AMP (28.15ha available) and the former Maltby Colliery (24.01ha available).
- 10.74 The fifteen sites put forward for assessment are summarised in Table 10.11 and the paragraphs that follow.

Table 10.11 Southern Rotherham Sites

Site reference and Name	Gross Site Area in Hectares	Net Site Area in Hectares	Score (35)
Advanced Manufacturing Park Site, Waverley (E22)	59.39	28.15	31
Aston Common - East of Mansfield Road Industrial Estate (E28)	2.43	2.43	19
Aston Common - West of Mansfield Road (E27)	2.36	2.36	18
EWS Dismantled Railway Line, Wood Lane (E35)	5.85	5.85	19
Former Beighton Colliery Site, Park View Swallownest (E30)	4.10	1.63	22
Highfield Commercial, Waverley (MU21)	15.99	4.70	25
Land at Former Maltby Colliery (E23)	24.01	24.01	19
Land off Bookers Way, Dinnington (E13)	5.50	5.50	16
Land off Cumwell Lane, Hellaby (E24)	15.89	15.89	25
Land off Europa Link, Catcliffe (E36)	6.55	6.55	30
Land off Rotherham Road, Maltby (E25)	1.03	1.03	19
North of School Road, Waleswood (E32)	7.08	7.08	21
North of Thurcroft Industrial Estate (E37)	6.17	6.17	18
Todwick North, North East of A57 New Todwick Roundabout (E16)	29.96	29.96	23
Waleswood (West) / Vector 31 (E34)	8.85	8.85	21
Total	195.25	150.16	

Advanced Manufacturing Park Site, Waverley (E22) (NLP ref: 1)

10.75

The site comprises a large industrial park, with an estimated 55% of land within the red line boundary already being developed. As such 28.15ha of available land remains to the south and south west of Whittle Way, although construction vehicles were on-site in the western part of the available land at the time of visit. Various planning permissions have been granted on the site, which relate to advanced manufacturing (RB2000/1436, RB2003/0046). There are several recent developments on the site, such as Rolls Royce, which takes up much of the central area of land. The site has excellent strategic access, with the A630 providing a direct link to the M1. Local access is also very good; roads through and around the site are generally modern and of good quality. Draft policy supports the use of the site for B1b/c and B2, specifically proposals relating to engineering. B1 office will also be allowed when this is ancillary to the principle use of the advanced manufacturing park. It is recommended that the remainder of the site be retained for development as in accordance with the draft policy. At present, there are few services and facilities in the local area (aside from the nearby Morrisons). However, it is understood that Highfield Commercial (MU21) is being promoted as a location for mixed-use development with a view to delivering a new local centre to serve the AMP and new residential areas.

Aston Common - East of Mansfield Road Industrial Estate (E28) (NLP ref: 2)

10.76

The site comprises 2.43ha of agricultural land which is currently allocated as Green Belt land. The site is set at a gradient; gently sloping down towards the A57. The land is adjacent to the existing industrial estate, which is situated to the west of the site. This industrial estate was very busy at the time of the visit, with no 'to let' signs visible, suggesting that market attractiveness in this area is high. There is an established residential area to the north, opposite the site's frontage, albeit it was noted that the principle elevations of these buildings did not face in the direction of the site. The site is located on a bus route, with bus stops on both sides of the road, and is a short distance from the local services of Swallownest. It has very good strategic access, being located just off the A57 which provides direct access to the M1. Local access is moderate; there were cars parked along the road side at the time of the visit and the centre of Swallownest was congested, raising concerns around the ability of the existing local road network to accommodate additional traffic generated by further employment development. It is also understood that the Council wish to resist the formation of direct access onto the A57. The site, in its current form as agricultural land, is considered to make a positive contribution to the visual amenity of the local area and it is considered that its development would impact on long distance views from the adjacent hills.

Aston Common - West of Mansfield Road (E27) (NLP ref: 3)

10.77

The site consists of 2.36ha of undeveloped Green Belt land located between the A57 and an existing industrial estate. There are some inconsistencies in height, but generally the site slopes down gently to the A57. The site contains dense hedges and vegetation, which may give raise to biodiversity issues. The main barrier to development, however, is likely to be access. It is understood that the Council wish to resist the formation of an access onto A57, meaning that access would be taken from the existing road of the industrial estate, which is very narrow and already very congested with parked cars on either side. The site is close to the residential area and local services of Swallownest, but there are some concerns about the impact of additional traffic on the local road network, particularly the affect that this would have on Swallownest.

EWS Dismantled Railway Line, Wood Lane (E35) (NLP ref: 4)

10.78

The site comprises 5.85ha of brownfield land, with 5.85ha available for development. Its long narrow shape would constrain the type and form of employment floorspace that could be delivered on the site. The site is situated at a level well below site E36 and the adjoining uses. An old railway runs along the north eastern boundary of the site and the site would require reclamation in order to enable its redevelopment for other uses. Bus stops can be found on the main Europa Link road. A new residential development is within a short distance from the site. There is a bus route on the main road running along the eastern boundary of the site. The site is close to A630 which provides a direct link to the M1 meaning that it benefits from good strategic

access. Historically, outline planning permission was granted for a railfreight and intermodal facility including warehouse development with ancillary offices under RB2001/1516. This application straddled both authorities and whilst development has taken place within Sheffield, development within Rotherham has not.

Former Beighton Colliery Site, Park View Swallownest (E30) (NLP ref: 5)

- 10.79 The site comprises a part developed business park with an area of 4.1ha. The site takes the form of three separate parcels of land, within or adjacent to a good quality, well-occupied business park. The large pocket of land to the north of the access road has been developed and contains a large industrial shed, occupied by 'Orchid', leaving 1.63ha of available land on two remaining parcels of land. The undeveloped area of land to the south has been prepared for development, whilst the smaller area in the north east corner of the site does not appear to have been the subject of any preparation works. The smaller site does, however, benefit from a potential access to the local road network being in place. A pub has recently been built on land south east of the red line boundary, on the edge of the roundabout. Being located on the edge of A57, the site benefits from good strategic access to the M1 and there are bus stops outside the site on the A57. The site is close to the services and labour markets of Swallownest and Beighton. Although there are no major constraints to development, the western part of the site falls within a 200m buffer zone of the proposed HS2 railway line. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

Highfield Commercial, Waverley (MU21) (NLP ref: 6)

- 10.80 The site comprises a large strip of land to the east of site E22, the Advanced Manufacturing Park, with an area of 15.99ha. The site contains a large building which is occupied by the University of Sheffield for advanced manufacturing, leaving 4.70ha in the north of the site available for future development. It is understood that the site has historically been promoted as an employment site, with the intention of developing a smaller grain of commercial uses to ease the transition to the new residential community (to the east of Stephenson Road). The site was previously part of the Orgreave Colliery and has been subject to coal extraction and reclamation, giving rise to a number of site constraints: ground conditions land to the south of the new public house (on Mitchell Way roundabout) render it unsuitable for large buildings, although it may be capable of supporting residential development; and a section of the northern plot of land also has ground conditions which render it undevelopable. In conjunction with this, the site is close to the proposed HS2 line. The site is subject to a detailed draft policy with B1a/b/c, C1, C3, D1, D2, A1, A2, A3, A4 and A5 proposed at varying intensities across the site.

Land at Former Maltby Colliery (E23) (NLP ref: 7)

- 10.81 The site comprises of 24.01ha of land on a former colliery. Due to security restrictions, access to the site could not be obtained in order to conduct a full
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assessment. Strategic access to the site is moderate; the A631 provides access to the M1, although it does run through several residential areas. The site is fairly close to the residential areas of Maltby and Hellaby and to the east of the site there is an existing business park. However, it is detached from the main urban area. Since the closure of the colliery, planning applications have been submitted on the site; one for the use of a former colliery building for engineering purposes (RB2013/1240) and another for the retention of former colliery buildings and associated plant and machinery for the generation of electricity from coal mine methane (RB2014/0494). The Council have suggested that appropriate uses will include B2, waste and energy, aggregate depot.

Land off Bookers Way, Dinnington (E13) (NLP ref: 8)

10.82

The site comprises 5.50ha of greenfield land adjoining the Todwick Road Industrial Estate. Planning permission was previously granted on the site for a waste storage and processing unit (RB2010/1083) however this has not been implemented. The site has significant tree coverage and contains dense vegetation, but does appear to be relatively flat. One major constraint to the development of the site is local access; although Bookers Lane runs to the west of the site, this is narrow and may not be appropriate for industrial traffic. This lane also comprises part of the 'Old Mineral Line Trail' and the National Cycle Route. Given these constraints, it is considered that the land would be best suited to accommodate the expansion of the existing business. The site has fairly good links to the M1 via the A57 and B6463 which is a fast moving road but narrow in places. Site visits undertaken by NLP revealed that a number of units on the adjacent industrial estate were being marketed to let, although the estate did generally appear to be busy. The site and urban greenspace adjacent to it, including the fishing pond, are identified as a Local Wildlife Site. Should the site be developed in its entirety, the Local Wildlife Site would suffer adverse impacts; any development on the site will require mitigation of impacts on local biodiversity.

Land off Cumwell Lane, Hellaby (E24) (NLP ref: 9)

10.83

This large site comprises of undeveloped agricultural land with an area of 15.89ha. The site has excellent strategic access, being located off Junction 1 of the M18. Local access to the site is moderate, with Cumwell Lane, a country lane, running along the site's eastern boundary. It is likely that access would be taken onto this road, which may require improvement works to make it suitable for industrial traffic. A pocket of residential dwellings is located to the east of the northern tip of the site and Sandy Lane Farm and Boarding Kennels are located on the southern tip of the field, outside the red line boundary. There are no bus stops or cycle routes on Cumwell Lane to the east, however, the major route of the A631 lies to the north. The site is close to residential areas of Thurcroft, Maltby, Bramley and Wickersley and services located to the west of the Junction 1 roundabout. The site is bound to the west by the M1; a buffer strip may be necessary to negate the impacts on amenity. It is also understood that there may be biodiversity impact on the Golden Plover, meaning that any

development would have to provide mitigation methods. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

Land off Europa Link, Catcliffe (E36) (NLP ref: 10)

10.84 This is a large greenfield site, comprising of 6.55ha of undeveloped land adjoining Sheffield Business Park. The land takes the form of two separate parcels; the larger is bound by the A630 with the smaller parcel positioned to the north. The smaller parcel appears to be partly landscaped and was being maintained by workers at the time of NLP's site visit. The site has excellent strategic access with the A630 providing direct access to the M1, although it is understood that there may be capacity issues at J33 and Parkway. Local access of a very high quality too, with bus routes located on the Europa Link. There are, however, a number of potential development constraints relating to the site: a public right of way runs along the southern and northern eastern boundaries of the site; development will need to be carefully considered to mitigate any impact on long distance views; and it is understood there is evidence of Skylarks in the surrounding area.

Land off Rotherham Road, Maltby (E25) (NLP ref: 11)

10.85 The site comprises of 1.03ha of undeveloped greenfield land, a short distance from the M18 via the A631. The A631 is a busy route for HGVs, however, it does run through residential areas, where properties face onto the road. The site is set lower than the road and slopes gently away from it. There are Class B uses opposite the site and allotments and residential dwellings to the east. A watercourse runs through part of the site consequently putting a strip of land into Flood Zone 3. The A631 is part of a bus route and the site is close to the surrounding residential areas of Hellaby and Maltby. A planning application for the erection of 8 three storey and 1 two storey office buildings was granted on appeal (RB2008/1806), with a revised scheme subsequently being approved in 2013, which has not been built out. The Council's draft policy supports B1a (where satisfying sequential test) and B1b/c uses.

North of School Road, Waleswood (E32) (NLP ref: 18)

10.86 The site comprises 7.08ha of undeveloped agricultural land with good strategic access to the M1 via the A57 and A618. Currently, the site is heavily screened by trees/hedging. The site adjoins the existing business park to the north west and local access to the site would most likely be taken from here. Although the roads through this business park are modern, they are not particularly wide. There is a cricket field to the west of the site and residential properties to the south meaning that some forms of industrial development may be inappropriate adjacent to these uses. The site is bound by the M1 to the east. There are bus stops on A618 and School Lane. The site visits undertaken by NLP revealed a number of vacant units being advertised to let. There is no planning history associated with the site and Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

North of Thurcroft Industrial Estate (E37) (NLP site ref: 19)

- 10.87 The site comprises of 6.17ha of undeveloped agricultural land adjoining an existing industrial estate. The site is large and relatively flat with agricultural fields lying to the north and west. Strategic access to the site is moderate; also J1 of M18 is relatively close to the site, which is accessed via Kingsforth Lane and Cumwell Lane, fast moving country lanes that are narrow in places. The site is close to the services and labour market of Thurcroft. Locally, access through the existing industrial estate is poor; HGVs struggle within the site as the roads are narrow and very congested with cars parked on both sides. Whilst there is potential for access to be taken from Kingsforth Road within the industrial park, it is considered that creating an access from Kingsforth Lane would provide the most suitable form of access to the site, albeit this may require improvements to the local road network and a reduction of the speed limit. Power lines are located to north of the site. The site could accommodate a range of employment uses. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

Todwick North, North East of A57 New Todwick Roundabout (E16) (NLP ref: 25)

- 10.88 This is a large, relatively flat, greenfield site comprising of 29.96ha, providing one of the few opportunities for large scale employment uses outside of Waverley. The size of the site and topography of the site – coupled with its proximity to the M1, mean that it could potentially play an important role in providing land for local businesses and inward investors with seeking large plots. However, whilst the Council is proposing to allocate the site as part of the Borough's employment land portfolio it is currently allocated as Green Belt.
- 10.89 It is understood that the Council wish to resist direct access onto A57, and as a consequence local access would be taken from the B6463, a fast moving country road which is narrow in places. The site is close to the residential areas of Todwick and Laughton Common. There are overhead power lines crossing the sites. In addition, the land is currently allocated as Green Belt. The development of this site could also impact upon local biodiversity; it is understood that ecological surveys of the wider area indicate the presence of number of priority habitats and birds feedings, resting or roosting, meaning that appropriate mitigation to this end may potentially need to be provided if the site was to be developed for employment purposes.

Waleswood (West) / Vector 31 (E34) (NLP ref: 26)

- 10.90 The site provides 8.85ha of developable land that is divided into two parcels, of varying sizes, situated either side of the access road that currently links the A618 to Greencore Prepared Meals. The smaller parcel of land is set higher than the larger and Greencore Meals is higher still. The site has good strategic access, with the A618 and A57 providing good links to the M1. The site is close to residential areas of Swallownest and Kiveton Park, although limited services appear to be available within the immediate area. There are bus stops on the

A618 outside the site and a variety of Class B uses on the opposite side of A618. Historically, outline planning permission was granted for the erection of industrial units (B1/B2/B8) (RB1998/1274) but no subsequent reserved matters applications have been received. It is understood that the site has been backfilled following open cast coal mining operations, creating development platforms. It has previously been identified that the site is affected by land settlement issues, but it is not clear to what extent this would constrain development. The Council's draft policy supports B1a (where satisfying sequential test), B1b/c, B2 and B8 uses.

10.91

11.0 **Demand/Supply Balance: Sheffield**

11.1 This section draws together the forecast requirement for B class land in Sheffield with an assessment of the available supply, in order to determine whether SCC has sufficient employment land to meet demand over the period to 2031.

Demand for Employment Land

11.2 Section 8.0 recommends that SCC should give consideration to allocating between 135ha and 195ha (gross) of employment land over the period 2015 to 2031 in order to accommodate anticipated demand from B class occupiers.

11.3 Recognising that the City's Local Plan could cover a period to 2033 (and assuming that demand follows a perfectly linear trajectory) it is suggested that between 151.2ha and 219.6ha could be required to meet need over an 18 year period from 2015 to 2033. Clearly, in the event that the Local Plan adopts an alternative base year, there will be a need to recalculate the estimated land requirements.

Employment Land Supply

Sites Assessed in 2015

11.4 As outlined in Section 10.0, 30 sites within Sheffield, comprising of 86.3ha of net available land (plus an additional 84,076sq.m of floorspace), were put forward for assessment (by SCC) as part of this study. The majority of sites were considered to be suitable for future use as employment land. This is perhaps unsurprising, given that a number of poor quality sites were recommended for de-allocation as part of the Council's previous (2013) ELR. These sites have subsequently been discounted from the supply and have not been re-assessed as part of this exercise.

11.5 Of the 30 sites assessed by NLP in 2015, just one was considered unsuitable for employment use to the extent that its removal from the City's portfolio of land was recommended:

- Former Petrol Depot, Johnson Lane/Station Road (NLP ref: 25): a 0.94ha site that is constrained by poor local access roads and a difficult site shape.

11.6 In addition to the above, it should be noted that a number of additional sites were discounted from the assessment of net available land. Often this was as a result of them being occupied at present. These sites are not included within the figures presented within this section. That is not to say, however, that some of those sites could not make a meaningful and positive contribution to the stock of land in Sheffield in the event that they were to become available for development over the lifetime of the Plan.

11.7 Taking into account the above, the site assessment work undertaken as part of this study identified 23 sites that were considered suitable for employment uses. In total, the sites account for 85.36ha of net available land (plus an additional 84,076sq.m of floorspace). It should be noted that this should be viewed as a best case scenario with respect to availability. This is because a number of sites may not come forward on the general market as land available for employment development.

11.8 Land at Beeleywood, Claywheels Lane (NLP ref: 23) for instance contains 3.01ha of land that is currently classed as available. However, it is understood that this has been acquired by Amber Steel, possibly as an expansion site. In addition, the Clarkson Osborne site (NLP ref: 2) has an extant planning permission for the erection of 8 light industrial/trade counter uses. It is understood that the developer's aspiration is to deliver the site out for trade counter uses which could result in the land making no contribution to accommodating demand for B class space in the city.

11.9 The spatial distribution of the sites is shown in Table 11.1.

Table 11.1 Spatial Distribution of Sites Assessed and Considered Suitable for Employment Use

	No. of Sites	Total Gross Area	Total Net Area
Chapelton/Ecclesfield	2	22.15ha	21.31ha
City Centre	1	2.96ha	81,000sq.m
Lower Don Valley	12	57.46ha	50.83ha
Mosborough/Woodhouse	2	5.25ha	5.25ha
Stocksbridge/Deepcar	1	9.37ha	3,076sq.m
Upper Don Valley	5	17.37ha	7.97ha
Total	23	114.56	85.36 (plus 84,076sq.m of floorspace)

Source: NLP analysis

11.10 In terms of understanding how the above supply relates to the anticipated need for land in the city, it is helpful to convert those mixed-use sites for which a floorspace figure is available into an estimated land take. The two sites are considered below:

- West Bar Triangle (NLP ref: 7) is a 2.96ha city centre site with extant planning permission for mixed-use development including 81,000sq.m of office floorspace; and
- Corus and Outokumpu Works (NLP ref:1) is a 9.37ha site with extant permission for retail-led mixed-use development including 3,076sq.m of office floorspace.

11.11 Applying the appropriate plot densities to align with the approach adopted by NLP in forecasting future demand, would suggest that these sites could be expected to contribute between 4ha and 5ha of employment land. In total, therefore, the sites summarised within Table 11.1 offer the potential to provide a supply of B class employment land equating to approximately 90ha. Clearly, this is insufficient to meet projected demand for between 135ha and 195ha over the period to 2031.

Sites Carried Over from 2013

11.12 It should be noted that the c.90ha of employment land referred to above relates simply to those sites assessed as part of this ELR update, rather than Sheffield's full stock of employment land. In understanding the full extent of the city's land supply, it is necessary also to have regard to those sites that were excluded from the site assessment process.

11.13 NLP were previously commissioned by SCC (in 2013) to undertake a full ELR for the authority, with all employment sites that were available at that time assessed as part of the exercise. The 2013 study provided recommendations on those sites to be retained as part of Sheffield's portfolio of employment land, as well as those to be de-allocated. In addition, a number of potential new sites were put forward for consideration.

11.14 A number of sites assessed in 2013 have been revisited as part of this exercise – particularly in those instances where SCC considers that circumstances may have altered during the intervening period. However, a large number of sites have not been reconsidered. In total, it is understood that 42 sites carried over from the previous ELR (i.e. sites recommended for retention or as potential new allocations) have not been assessed as part of this update exercise, but are considered by SCC as forming part of the city's supply of available land.

11.15 It should also be noted that a small number of sites were recommended for de-allocation in the 2013 ELR and were not put forward by SCC for re-assessment. Those sites have been discounted from the analysis of supply presented within this document.

11.16 The distribution of the 42 sites carried over from the 2013 ELR, which account for an estimated 85.07ha of net available area, is shown in Table 11.2

Table 11.2 Spatial Distribution of Sites Carried Over from the 2013 Sheffield ELR

	No. of Sites	Total Gross Area (ha)	Total Net Area (ha)
Chapelton/Ecclesfield	2	1.99	1.06
City Centre	13	9.82	6.03
Lower Don Valley	12	75.42	59.30
Mosborough/Woodhouse	4	3.56	3.13
Stocksbridge/Deepcar	1	0.95	0.86
Upper Don Valley	10	18.38	14.69
Total	42	110.12	85.07

Source: NLP analysis

Available Land vs. Demand

11.17

The analysis presented in the preceding paragraphs is summarised in Table 11.3. From this it can be seen that Sheffield is estimated to have a supply of 175.23ha of employment land across 65 sites in the city.

Table 11.3 Total Supply of Employment Land in Sheffield

	Potential Demand	No. of Sites	Total Net Area (ha)	Share of Overall Supply
Chapelton/Ecclesfield	Moderate	4	22.37	13%
City Centre	Strong	14	10.03 ⁸⁸	6%
Lower Don Valley	Strong	24	110.13	63%
Mosborough/Woodhouse	Weak	6	8.38	5%
Stocksbridge/Deepcar	Weak	2	1.66 ⁸⁹	1%
Upper Don Valley	Strong	15	22.66	13%
Total		65	175.23	

Source: SCC/NLP analysis

11.18

At the local authority level, and in purely quantitative terms, Sheffield would therefore appear to have enough employment land to meet future need in the

⁸⁸ 81,000sq.m of office floorspace at West BarTriangle has been translated into a 4ha contribution to employment land, assuming a plot ratio of 2.0. This is consistent with the way in which land requirements in the city centre have been calculated

⁸⁹ 3,076sq.m of office floorspace at Corus and Outokumpu has been translated into a 0.8ha contribution to employment land, assuming a plot ratio of 0.4.

event that the level of demand observed is towards the bottom end of the range of requirements identified in Section 8.0. However, the demand forecasts indicate that need in Sheffield to 2031 could be as high as 195ha, rising to 219.6ha over the period to 2033. Clearly, should requirements over this period align with the top end of the range, this could be expected to give rise to a shortfall of 20ha to 2031 and c.45ha to 2033.

11.19 In understanding any imbalances at a lower geographical level, it is often helpful to understand the extent to which the distribution of supply aligns with the distribution of demand and the perceived market attractiveness of locations.

11.20 It should be noted that past take-up rates have only been recorded by SCC on a city-wide basis, rather than by sub-area. As a consequence, the current distribution of floorspace provision across the city has been used as a proxy measure for the distribution of demand. This is shown in Table 11.4 and is presented alongside an assessment of the market attractiveness, as well as the distribution of the city's supply of employment land.

Table 11.4 Analysis of Supply and Strength of Demand by Sub-Area

	Potential Demand	Share of Future Land Supply	Share of Existing Floorspace Stock
Chapelton/Ecclesfield	Moderate	13%	7%
City Centre	Strong	6%	18%
Lower Don Valley	Strong	63%	43%
Mosborough/Woodhouse	Weak	5%	8%
Stocksbridge/Deepear	Weak	1%	0%
Upper Don Valley	Strong	13%	9%
Total		100%	85%⁹⁰

Source: SCC/VOA/NLP analysis

11.21 It can be seen from the table that, in general terms, the supply of land is focussed within those areas where demand is perceived to be strongest. The Lower Don Valley, for instance, accounts for 63% of the available supply and the Upper Don Valley for 13%. The proportion of supply in the City Centre (a strong market area) could, at just 6%, be considered to be somewhat low.

11.22 As noted elsewhere in this report, the **Upper and Lower Don Valley** are two of the city's key traditional manufacturing locations. They continue to benefit from a critical mass of industries, good road connectivity and excellent industrial infrastructure. Land remains in demand in both locations, with parts of the Upper Don Valley particularly well suited to 'bad neighbour' uses due to the

⁹⁰ Excludes 15% of floorspace stock located elsewhere in Sheffield

locational characteristics of the sites in the area. Having regard to consultation with local agents and the historic economic role of the Upper Don Valley, it could be argued that it has a disproportionately small supply of available land. It can, however, be seen that the area's proportionate share of supply is broadly in alignment with its proportionate share of existing floorspace.

- 11.23 Conversely, the supply of available land in the Lower Don Valley accounts for almost two-thirds of all of the city's stock. This would appear, on the face of it, to be somewhat high, although it is recognised that agency consultation has indicated that the supply of industrial land and premises in the area is considered to be tight.
- 11.24 The **City Centre** is also perceived as a strong market area, but has less land available (10.03ha, which accounts for 6% of supply). This supply is, however, spread across 14 different sites, reflecting the constrained nature of land availability in the area and the likelihood of higher densities of development being achieved. As discussed elsewhere, a key challenge for the City Centre is to ensure the supply and availability of Grade A office floorspace. This is critical to supporting and sustaining Sheffield's position as the premier office location in South Yorkshire.
- 11.25 As recognised in Section 8.0, there remains a strong emphasis in planning policy (both at the national and the local level) towards the concentration of office space in city centres. It is understood that the Council's Core Strategy is seeking to accommodate approximately 65% of new office floorspace in city centre locations moving forwards. Having regard to an estimated city-wide requirement for between 20ha and 30ha of land for office development and the higher densities typically achieved in city centre locations, the provision of 10ha of land is considered sufficient to meet this requirement. Indeed, the policy-on employment scenario considered in Section 8.0 identifies a total office requirement of 38.3ha (in excess of the upper bound of the preferred range that it is recommended SCC plan for to 2031). Assuming that 65% of floorspace is to be delivered in city centre locations would yield a requirement for 10.4ha of city centre land, with a further 27.9ha required on lower density developments elsewhere in Sheffield.
- 11.26 **Chapelton/Ecclesfield** accounts for 13% of the supply of available land – comparable with the level of supply in the Upper Don Valley. Demand in Chapelton/Ecclesfield is more modest, however, despite the success of developments such as Smithywood. Whilst there will be a continued need to provide sites in the area to meet demand (largely from the indigenous business base) it is questionable whether allocations in the area should be of a similar scale to the Upper Don Valley. It is possible that this potential imbalance could be addressed through increasing the supply in the Upper Don Valley, rather than necessitating any de-allocations in Chapelton/Ecclesfield.

The Need for Additional Land

- 11.27 In the event that the demand for employment land observed over the period to 2031 is towards the upper end of the range of forecast requirements identified
-

in Section 8.0, a shortfall of sites will be observed in Sheffield. This shortfall could be as much as 20ha, potentially rising to c.45ha over the period to 2033.

- 11.28 As a consequence, it is suggested that SCC gives consideration to identifying and allocating additional sites that are considered to be suitable and deliverable for B class employment uses. Any new sites should be sustainable and, ideally, located within areas of strong market demand – particularly given that Table 11.4 does not indicate the existence of any particularly acute gaps in provision within the city's weaker market locations.
- 11.29 The strongest areas of market demand are located in the Upper and Lower Don Valleys, as well as the City Centre, as discussed in the preceding paragraphs. The current supply of available land is generally skewed towards the Lower Don Valley (63%), but the supply of land in the Upper Don Valley could be considered to be disproportionately low at 13%. The City Centre contains an even lower proportion of the supply (6%), although this is considered to be appropriate in light of the higher densities of development that are likely to be achieved in this location.
- 11.30 Overall, therefore, it is suggested that efforts to identify new employment allocations should perhaps be focussed in the Upper Don Valley in the first instance, followed by the Lower Don Valley and the City Centre.
- 11.31 It will be important in considering the potential to identify additional allocations to ensure that the supply of sites is, wherever possible, clustered together or focussed on a smaller number of larger parcels of land – rather than dispersed across a wide portfolio of sites. Such an approach can help to provide an appropriate concentration of employment uses that can contribute towards securing the necessary investment, business infrastructure and occupier interest.

Neighbouring Local Authorities

- 11.32 Alongside the above site search process, it is recommended that SCC gives consideration to the extent to which the supply of employment land in neighbouring authority areas could help to offset any potential shortfall that could emerge in the city over the period to 2031.
- 11.33 **Rotherham**, as part of the Sheffield/Rotherham FEMA, is likely to offer the greatest potential to accommodate any unmet demand. Whilst the demand-supply balance in Rotherham is considered in greater detail in Section 12.0, it would appear – from a purely quantitative perspective – that the Borough's portfolio contains an element of 'slack'.
- 11.34 A brief summary of the demand-supply balance in the other neighbouring authorities that would appear to offer some potential to accommodate unmet demand in Sheffield is set out below:

- **Doncaster:** the Council's 2009 ELR recommends the need for 584ha of industrial space, as well as a further 180,000sq.m of office space. In the event that requirements are as strong as anticipated, there would therefore appear to be little scope to accommodate any unmet demand from adjoining authorities. Should the trajectory of demand prove to be slower than projected, however, it is noted that the overall supply of employment land in the Borough is significant. It is understood that work is currently underway on the production of a 2015 Employment Land Review. It is recommended that SCC officers liaise with the relevant officers at Doncaster Council in order to understand whether the demand-supply balance has changed significantly since 2009;
- **Barnsley:** the Council's Local Plan Consultation Draft (2014) identifies a need for 291ha of employment land to 2033 and allocates 306ha to accommodate this requirement. This would suggest that – in purely quantitative terms – some limited slack may exist within Barnsley's portfolio of sites; and
- **Chesterfield:** a 2011 Employment Land Topic Paper published by Chesterfield Council suggests that demand over the period 2008 to 2026 could be in the order of 84ha and identifies a supply of 173ha of land. This would suggest that scope could exist to accommodate unmet demand from Sheffield within Chesterfield.

11.35

It is important that SCC engages in further discussion with officers in the relevant authorities in accordance with the Duty to Co-operate. Discussions should be used to explore and agree whether land within these nearby areas may effectively contribute towards Sheffield's employment land needs (having regard to the deliverability and viability of land, as well as the suitability of sites to meet the needs of particular sectors) should this prove necessary following the outcome of the site search process. This is particularly important given that the analysis presented above has not been informed by any qualitative assessment of the portfolio of land in authorities such as Doncaster, Barnsley and Chesterfield. Discussions should also give consideration to how any such arrangements would feed into the preparation of authorities' respective Local Plan and Site Allocations documents, as well as any future sub-regional position statement on employment land.

12.0 Demand/Supply Balance: Rotherham

12.1 This section draws together the forecast requirement for B class land in Rotherham with an assessment of the available supply, in order to determine whether RMBC has sufficient employment land to meet demand over the period to 2031.

Demand for Employment Land

12.2 As discussed in Section 9.0, Rotherham's Core Strategy includes a requirement to plan for 235ha of employment land over the period 2013 to 2028. This figure has been independently tested at examination and adjudged to be sound.

12.3 This figure broadly aligns with the upper bound of the range of requirements modelled as part of this ELR. As such, and mindful of the above, it is not considered unreasonable for RMBC to continue to plan on the basis of a requirement of 235ha.

Employment Land Supply

Assessed Sites

12.4 As outlined in Section 10.0, 27 sites within Rotherham were put forward by RMBC for assessment. In total, these sites comprise of 201.39ha of net available land. Whilst NLP were asked to provide an objected, criteria-based assessment of the sites, it was not a requirement of the brief to provide advice regarding which sites should be retained or released by the Council in finalising the composition of the Borough's future portfolio of sites.

12.5 The spatial distribution of the sites is shown in Table 12.1.

Table 12.1 Spatial Distribution of Assessed Sites

	Number of Sites	Total Gross Area (Ha)	Total Net Area (Ha)
Northern	3	10.42	8.02
Central	9	53.48	43.21
Southern	15	195.16	150.16
Total	27	259.06	201.39

Source: NLP analysis

12.6 When considered within the context of an adopted requirement for 235ha of employment land, it is clear that the assessed sites do not provide sufficient available land to meet anticipated demand.

Additional Sites

- 12.7 It should be noted that the 201.39ha of employment land referred to above relates simply to those sites assessed as part of this study, rather than Rotherham's total supply of employment land. In analysing the full extent of the Borough's stock of land, it is necessary also to have regard to those sites that were excluded from the site assessment process.
- 12.8 It is understood that, in total, RMBC is planning to allocate 262ha of land for B class employment development through the Borough's emerging Site Allocations DPD. The portfolio of 262ha comprises of the 27 sites assessed by NLP, as well as an additional 12 parcels of land that account for a further 58.14ha of employment land.
- 12.9 The distribution of the 12 sites that were not put forward by RMBC for inclusion with the site assessment process is summarised in Table 12.2.

Table 12.2 Spatial Distribution of Sites Excludes from Assessment

	Number of Sites	Total Net Area (Ha)
Northern	3	4.85
Central	5	27.46
Southern	4	25.83
Total	12	58.14

Source: RMBC / NLP analysis

Available Land vs. Demand

- 12.10 The analysis presented in the preceding paragraphs is drawn together and summarised in Table 12.3. From this it can be seen that Rotherham is estimated to have a supply of 259.53ha of available land across 39 sites in the Borough.
- 12.11 At the local authority level, and in purely quantitative terms, Rotherham would therefore appear to have more land than the area is anticipated to require over the study period in order to meet projected need. In the event that observed take-up is lower than the level assumed within the Core Strategy, the extent of any quantitative oversupply will become greater. As discussed in Section 11.0, it would appear that the supply of available land in Sheffield is insufficient to meet the upper bounds of the range of future requirements identified within this study. As such, it may well be the case that the existence of some slack within Rotherham's portfolio could play an important role within the FEMA context in offering the opportunity to ameliorate the impact of any potential shortfall of sites in Sheffield.

Table 12.3 Total Supply of Employment Land in Rotherham

	Potential Demand	No. of Sites	Total Net Area (Ha)	Share of Overall Supply
Northern	Moderate	6	12.87	5%
Central	Moderate/Strong	14	70.67	27%
Southern	Strong	19	175.99	68%
Total		39	259.53⁹¹	

Source: RMBC/NLP analysis

- 12.12 It is recommended, therefore, that RMBC engages in further discussion with SCC (and other adjoining authorities) in accordance with the Duty to Co-operate. Discussions should be used to explore and agree whether any perceived quantitative oversupply of land in Rotherham may offer the potential to effectively contribute towards Sheffield's employment land needs. Discussions should also give consideration to how any such arrangements would feed into the preparation of authorities' respective Local Plan and Site Allocations documents, as well as any future sub-regional position statement on employment land.
- 12.13 Notwithstanding the above, it is recognised that there may be particular qualitative reasons underpinning RMBC's decision to allocate c.260ha of employment land, which could mean that Rotherham is unable to make a meaningful contribution to meeting Sheffield's land needs. Identifying an appropriate portfolio of employment land to support future growth needs is not simply an exercise in 'balancing the books' and there can often be a strong qualitative justification for allocating a modest level of land over and above any forecast future requirement. It is recommended that RMBC, through the Sites and Allocations DPD or a background evidence document, clearly articulates the rationale underpinning the decision to pursue allocations of c.260ha within the context of a projected need for 235ha.
- 12.14 In seeking to understand any imbalances at a lower geographical level, it is often helpful to take account of the extent to which the distribution of supply aligns with the distribution of demand and the perceived market attractiveness of locations.
- 12.15 It should be noted that past take-up rates have only been recorded by RMBC on a Borough-wide basis, rather than by sub-area. As a consequence, the current distribution of floorspace across the Borough has been used as a proxy measure for the distribution of demand. This is shown in Table 12.4 and is presented alongside an assessment of the market attractiveness of each location, as well as the distribution of Rotherham's supply of employment land.

⁹¹ It should be noted that the Council's figures relating to available land at Manvers Way (NLP ref: 14) and Land off Grange Lane (NLP ref: 21) have been discounted following the site assessments. As such, the stock of available land sums to less than 262ha

Table 12.4 Analysis of Supply and Strength of Demand by Sub-Area

	Potential Demand	Share of Future Land Supply	Share of Existing Floorspace Stock
Northern	Moderate	5%	25%
Central	Moderate/Strong	27%	42%
Southern	Strong	68%	33%
Total		100%	100%

Source: RMBC/VOA/NLP analysis

12.16 It can be seen from the table that, in general terms, the supply of employment land is focussed in those areas where demand is perceived to be strongest. Southern Rotherham, for instance, is considered to be the strongest market area and contains the largest proportion of land (68%). Central Rotherham is considered to be the second strongest market area and contains the second largest proportion of land (27%).

12.17 Taking account of the differences in demand, however, as well as the existing share of employment floorspace, it would appear that proportion of land available in Northern Rotherham could be considered to be too low. This also applies to Central Rotherham, albeit to a lesser extent. This is also supported by an analysis of enquiries data from RIDO for the 12 months to May 2015 (shown in Table 12.5) which suggests that the difference between the market appeal of the various areas of the Borough is less stark than the distribution of the future supply of land might perhaps imply.

Table 12.5 Enquiries Data (June 2014-May 2015)

	Industrial Enquiries	Office Enquiries
Town Centre	10	9
Other Central	11	10
East	14	4
North	19	11
South	18	5
West	15	11

Source: RIDO/NLP analysis

12.18 As discussed elsewhere in this report, **Southern Rotherham** is viewed as the strongest market location within the Borough. With both the M1 and M18 passing through, the area benefits from excellent access to the strategic road network. A number of well established industrial estates – occupied by a range of manufacturing and logistics businesses – are situated in the area, in

locations such as Dinnington and Hellaby. In addition, the area contains the only two EZ sites in Rotherham to benefit from Enhanced Capital Allowances – AMP and Dinnington. AMP has proved a popular location for advanced manufacturing businesses in recent years and is expected to play a key role in supporting the continued appeal of Southern Rotherham moving forward.

- 12.19 Notwithstanding the above, more than two thirds (68%) of the total supply of available land in Rotherham are concentrated within the area. Given that Southern Rotherham currently accounts for just one third (33%) of the Borough's employment floorspace, however, the supply of land in the area could be considered to be somewhat high.
- 12.20 **Central Rotherham** also contains a significant concentration of the Borough's industrial estates, with many located in close proximity to J34 of the M1 (providing access to the strategic road network) in a swathe of land running from Templeborough to Aldwarke. The area is generally occupied by traditional manufacturing and logistics occupiers. Despite containing the highest proportion of existing employment floorspace (42%) of the Borough's three sub-areas just 27% of the total supply of available land is located in Central Rotherham. This could be considered to be disproportionately low.
- 12.21 Connectivity to the strategic road network is poorer in **Northern Rotherham** than elsewhere in the Borough, which is reflected the lower perceived attractiveness of the area to the market. Despite this, however, 25% of all employment space in Rotherham is concentrated in the area. This includes modern, good quality industrial space on estates such as Brookfield Park and Century Business Park. Within this context, it is considered that a supply of just 12.87ha of land (5% of the Borough's total supply) is particularly low – particularly when one considers that Next has previously developed a 103,000sq.m distribution facility on Brookfield Park. A supply of 12.87ha would offer little to no scope for Northern Rotherham to compete for developments of a similar scale over the Plan period.
- 12.22 Having regard to the above, it is clear that Rotherham's supply of land is focussed in the south of the Borough, whilst very little land is available in Northern Rotherham. It is therefore recommended that RMBC provides a clear justification of the spatial strategy being pursued by the Borough. This could be articulated through the Sites and Allocations DPD, or a separate background evidence document.

13.0 **Conclusions**

13.1 This section draws together the overall conclusions emerging from the preceding sections of the report

Economic Overview

13.2 Strong levels of employment growth have been observed in Sheffield and Rotherham in recent years, with both outperforming the Yorkshire and Humber region. At present, it is estimated that there are approximately 284,000 jobs registered in Sheffield and 113,000 in Rotherham.

13.3 A marked decline in traditional manufacturing jobs has been observed in both authorities in recent years, reflecting the restructuring of the industry. This has, however, been offset by growth in other B class sectors. As a result, the proportion of B class jobs across the study area has remained relatively stable.

13.4 Notwithstanding the above manufacturing remains the largest sector in terms of employment in Sheffield and Rotherham and makes a significant contribution to economic output. Other key sectors in terms of employment include: health, retail, business services and education. In relation to economic output, the key sectors are: real estate, education and health.

13.5 The business base in Sheffield and Rotherham accommodates a slightly lower share of smaller firms and a higher share of larger firms compared with regional and national averages. It is also characterised by relatively low levels of business start-up and self-employment in comparison to the national average (although Rotherham performs well in relation to regional average for self-employment).

13.6 Tables 13.1 and 13.2 provide a summary Sheffield and Rotherham's particular strengths, weaknesses, opportunities and threats.

Table 13.1 SWOT Analysis: Sheffield

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong connectivity via road, rail and public transport. • Strong growth in workforce jobs experienced between 2000 and 2015. • Relatively stable levels of employment in B Class jobs. • Strong growth in real estate, education, publishing & broadcasting, health and professional services. • High proportion of highly skilled occupations and Knowledge Based Industries— exceeding the regional average and the majority of surrounding local authorities. • A high proportion of working age residents are qualified to degree level or above. • A high level of self-containment (commuting rate) and a net inflow of workers 	<ul style="list-style-type: none"> • Relatively high levels of JSA claimants in comparison to the national average. • Employment in traditional manufacturing jobs (particularly steel) has witnessed a significant, and ongoing, loss of jobs. • Pockets of severe deprivation. • Low levels of business start-ups and self-employment relative to the regional and national average. • A strong reliance on public sector jobs including health, education and public administration. • Mismatch in local labour market, with high levels of in and out-commuters employed in high skilled occupations. • Higher levels of residents with no qualifications than the regional and national average.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strong track record in Knowledge Based Industries and advanced manufacturing, providing opportunities to grow. • Highly skilled workforce. • Establishment of the Sheffield City Region Growth Plan dedicated to raising the City Region's profile as a location in which to locate and invest. • A programme of activities designed to drive stronger growth in GVA and jobs growth in the City Region. • Development of HS2 represents an opportunity to further improve the connectivity of the local area. 	<ul style="list-style-type: none"> • Further decline of traditional manufacturing industry/employment and GVA. • Higher levels of unemployed residents seeking employment in low skilled occupations than the regional and national average. • Further reduction in public spending could undermine sectors with a strong representation (particularly public administration, education and health). • Competition for inward investment from neighbouring economic centres.

Source: NLP analysis

Table 13.2 SWOT Analysis: Rotherham

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Strong connectivity via road, rail and other public transport options. • Strong growth in workforce jobs experienced between 2000 and 2015. • Relatively stable levels of employment in B Class jobs. • Strong growth in professional services, public administration, other business services, education and construction. • Strong growth in GVA per worker observed over 2000-2015, which is now higher than the regional average. • Comparable levels of self-employment to the regional average. 	<ul style="list-style-type: none"> • Relatively high levels of JSA claimants in comparison to the national and regional average. • Employment in traditional manufacturing jobs (particularly steel) has witnessed a significant, and ongoing, loss of jobs. • Pockets of severe deprivation. • Low levels of business start-ups relative to the regional and national average. • Low working age population growth relative to jobs growth, resulting in high levels of in commuting. • Mismatch in terms of local job opportunities, with high levels of both in and out-commuters employed in high skilled occupations. • Lower proportions of residents with higher level skills than the regional and national average.
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Strengths in Knowledge Based Industries and advanced manufacturing provide growth opportunities. • Potential to increase local job opportunities in both areas, reducing the outflow of workers. • Establishment of the Sheffield City Region Growth Plan dedicated to raising the City Region's profile as a location in which to locate and invest. • A programme of activities designed to drive stronger growth in GVA and jobs growth in the City Region. • Development of HS2 represents an opportunity to further improve the connectivity of the local area. 	<ul style="list-style-type: none"> • Further decline of traditional manufacturing industry/employment and GVA. • Higher levels of unemployed residents seeking employment in low skilled occupations than the regional and national average. • Further reduction in public spending could undermine growth in sectors with a strong representation (particularly public administration, education and health). • Competition for inward investment from neighbouring economic centres.

Source: NLP analysis

Functional Economic Market Area

- 13.7 The ONS defines labour market areas as those areas in which the bulk of the resident population also work within the same area. Defining labour market areas requires an analysis of commuting patterns to identify Travel to Work Areas (TTWAs) for local economies. The current criteria for defining TTWAs is that generally at least 75% of an area's resident workforce work in the area and at least 75% of the people who work in the area also live in the area. The area must also have a working population of at least 3,500.
- 13.8 Applying this methodology to the 2011 Census, it is possible to define Sheffield's TTWA as the two local authority areas of Sheffield and Rotherham, which together comprise the workplace for 83% of Sheffield's resident working population and the residence for 82% of Sheffield's workers.
- 13.9 Rotherham's TTWA is slightly broader, including Rotherham, Sheffield and Doncaster. Together, these local authorities form the workplace for 82% of Rotherham's resident working population and 81% of Rotherham's workers.
- 13.10 Defining a Functional Economic Market Area (FEMA), however, requires a consideration of a broader range of economic, property and labour market factors. The Joint Economy of Sheffield and Rotherham Report⁹² was commissioned in 2007 to identify and examine the nature of interdependencies present between the two local authority districts to feed into policy development.
- 13.11 The study concluded that:
- The economic centres of the two local authority areas are continuously linked through direct business interactions (supply chains and clusters), based on strong sectoral complementarities in a number of industries including manufacturing, telecommunications, other business services and computer services; and
 - The two local authorities have strong labour market linkages, with some 9.8% of total Sheffield/Rotherham jobs involving a cross border commute.
- 13.12 The commercial market analysis undertaken as part of this commission indicates that the markets of Sheffield and Rotherham are generally viewed as separate from each other and the markets of other adjoining authorities. However, the distinction between the two becomes less clear when considering: the concentration of employment sites clustered around the M1 corridor (where east Sheffield meets west Rotherham); and the swathe of employment sites running south east to north west through the Lower Don Valley to Templeborough and Aldwarke.

⁹² University of Birmingham Centre for Urban and Regional Studies School of Public Policy, (2007), The Joint Economy of Sheffield and Rotherham Final Report to Rotherham MBC
http://www.rotherham.gov.uk/corestrategyexamination/downloads/file/453/leb41_the_joint_economy_of_sheffield_and_rotherham_2007

- 13.13 Based on the above, it is considered that the two local authorities should be viewed as comprising of a single FEMA.

Market Signals

Sheffield

- 13.14 Sheffield contains an estimated 4.33 million sq.m of employment floorspace – significantly higher than any other location in South Yorkshire. The city's stock is dominated by industrial premises, which account for 78% of all space. Overall the city's industrial property market is considered to be strong and low vacancy rates would appear to suggest that the market for industrial space is currently tight.
- 13.15 The city's traditional industrial locations follow the valley floors and include: Sheaf Valley, Lower Don Valley; and the Upper Don Valley. A particularly high concentration of stock can be found in the Lower Don Valley.
- 13.16 Whilst Sheffield is generally regarded as an industrial city, it is nevertheless widely acknowledged as the principal office location in South Yorkshire. The city contains approximately 970,000sq.m of office space – more than double the per capita provision of anywhere else in South Yorkshire.
- 13.17 Office space is primarily concentrated with the city centre (with recent demand focussed on the Heart of the City, the Cathedral Quarter, Sheaf Valley and St Georges) and, to a lesser extent, the Lower Don Valley. Office vacancy rates are high at c.20%. However, this figure is understood to be skewed upwards by the availability of older, poorer quality premises and to conceal a shortage of Grade A accommodation in the city.

Rotherham

- 13.18 Rotherham is estimated to have a supply 2.31 million sq.m of employment space. This is dominated – to a much greater extent than Sheffield – by industrial stock, which accounts for 90% of all space. The Borough has the highest provision of industrial stock per 1,000 population of all the South Yorkshire authorities, demonstrating the importance of the area as an industrial location.
- 13.19 The industrial market within Rotherham is considered to be strong, with key industrial locations including: J33 and J34 of the M1; the Dearne Valley; Dinnington; Maltby/Bramley. J33 in particular, has emerged in recent years as a destination of choice for advanced manufacturing businesses. This has been driven by the success of the AMP.
- 13.20 Office provision within Rotherham is estimated to be in the order of 234,000sq.m of floorspace. The market in Rotherham town centre is dominated by small scale financial and professional services firms serving a local market and premises typically comprise of 1960's office buildings and

converted Victorian residential properties. More modern office space can be found on business parks located between Junctions 33 and 34 of the M1.

Meeting Future Needs: Sheffield

- 13.21 In assessing the future need for employment land in Sheffield, this study has taken account of four scenarios based upon a number of methodological approaches. Some are primarily driven by economic or demographic growth projections, others by past rates of development. The employment land requirements for the city generated by the four scenarios range from 126.5ha to 180.3ha over the period 2015 to 2031.
- 13.22 In identifying a preferred range of future demand, NLP has drawn upon the four scenarios outlined above. These have been considered within the context of a series of sensitivity tests, as well as the market intelligence gathered through both desk-based research and consultation with local agents, developers and economic stakeholders. Drawing this analysis together, it is recommended that SCC gives consideration to planning for a demand of between 135ha and 195ha over the period 2015 to 2031.
- 13.23 23 of the sites assessed as part of this study are considered suitable for employment use. It is estimated that these sites could contribute approximately 90ha of available employment land. This figure, however, simply relates to those sites assessed as part of this commission. It is understood that a further 42 sites (totalling 85.07ha) were assessed as part of SCC's previous ELR in 2013 and recommended for allocation as part of any future portfolio of land. Carrying these sites over would suggest that, in total, Sheffield has a portfolio of approximately 175ha of employment land, comprising of 65 sites.
- 13.24 In purely quantitative terms, this is considered sufficient to meet future need in the event that the level of demand observed is towards the bottom end of the preferred requirement outlined above. However, demand to 2031 could be as high as 195ha. Under such circumstances the stock of available land in Sheffield is unlikely to be sufficient to meet requirements.
- 13.25 It is therefore recommended that SCC gives consideration to identifying and allocating additional sites that are considered to be suitable and deliverable for B class employment uses. In the first instance at least, the area of search should focus primarily on those areas of stronger market demand.
- 13.26 Alongside the site search process, it is recommended that SCC engages closely with neighbouring local authorities, in order to understand whether any opportunities exist for land in locations such as Rotherham to contribute towards Sheffield's employment land needs.
-

Meeting Future Needs: Rotherham

- 13.27 Rotherham's Core Strategy, adopted in 2014, includes a requirement to plan for 235ha of employment land over the period 2013 to 2028. This figure has been independently tested at examination and adjudged to be sound.
- 13.28 A need for 235ha broadly aligns with the upper bound of the range of requirements modelled as part of this study. As such, and mindful of the above, it is not considered unreasonable for RMBC to continue to plan on the basis of 235ha of demand.
- 13.29 27 sites were assessed as part of this study, comprising of 201.39ha of net available land. In accordance with the requirements of the brief, NLP has not made any recommendations regarding those sites that should be retained or released by RMBC in finalising the composition of the Borough's employment land portfolio through the Sites and Allocations DPD.
- 13.30 It should be noted that 12 additional sites, accounting for a further 58.14ha of net available land, were not put forward by RMBC for assessment. It is, however, understood that RMBC is giving consideration to allocating these sites for employment use. In total, therefore, Rotherham is estimated to have a potential supply of 259.53ha of available land across 39 sites.
- 13.31 In purely quantitative terms, Rotherham would therefore appear to have more land than the Borough is anticipated to require in order to meet future demand. Given the potential shortfall of land in Sheffield, it is recommended that RMBC engages with SCC (and other adjoining authorities). Discussions should be used to explore and agree whether any perceived oversupply in Rotherham could offer the potential to contribute towards meeting Sheffield's employment land needs.
- 13.32 Notwithstanding the above, it is recognised that there may be particular qualitative reasons underpinning RMBC's decision to allocate c.260ha of land. This could mean that Rotherham is unable to make a meaningful contribution to addressing any potential issues of undersupply in Sheffield. Should this be the case, however, it is recommended that RMBC – through the Sites and Policies DPD or a background evidence document – clearly articulates the particular qualitative issues or considerations that have underpinned the authority's decision to pursue employment land allocations of c.260ha within the context of a projected need for 235ha

Appendix 1 Consultees



Appendix 1: Consultees

Individual Consultees

Diana Buckley, Creative Sheffield

James Wilson, Creative Sheffield

Duncan Armstrong-Payne, Harworth Estates

Peter Whiteley, Knight Frank

Andrew Nettleton, RIDO

Andrew Denniff, Rotherham and Barnsley Chamber of Commerce

Tim Bottrill, Sheffield Chamber of Commerce

Amy Harhoff, Sheffield City Region LEP

Workshop Attendees

Richard Holmes, Sheffield City Council

Ryan Shepherd, Rotherham Metropolitan Borough Council

Lee Vinney, Rotherham Metropolitan Borough Council

Tim Dawson, Bassetlaw District Council

Jonathan Hendy, Bolsover District Council

Steve Buffery, Derbyshire County Council

Heather Foxen, Harworth Estates

Andrew Denniff, Rotherham and Barnsley Chamber of Commerce

Andrew Nettleton, RIDO

Dave Allatt, South Yorkshire Passenger Transport Executive

Andrew Nettleton, RIDO

Harvey Emms, NLP

Ross Lillico, NLP

Appendix 2 Definition of B Class Sectors

Experian Baseline Forecasts: Sheffield

The method used for re-categorising the Experian employment forecasts by sector into B class uses is summarised below.

Experian Sector	Proportion of Jobs by Use Class		
	B1a/b Office	B1c/B2 Industrial	B8 Warehousing
Agriculture, Forestry & Fishing	Non-B Class		
Extraction & Mining	Non-B Class		
Food, Drink & Tobacco	0%	100%	0%
Textiles & Clothing	0%	100%	0%
Wood & Paper	0%	100%	0%
Printing and Recorded Media	0%	100%	0%
Fuel Refining	0%	100%	0%
Chemicals	0%	100%	0%
Pharmaceuticals	0%	100%	0%
Non-Metallic Products	0%	100%	0%
Metal Products	0%	100%	0%
Computer & Electronic Products	0%	100%	0%
Machinery & Equipment	0%	100%	0%
Transport Equipment	0%	100%	0%
Other Manufacturing	0%	100%	0%
Utilities	0%	72%*	0%
Construction of Buildings	Non-B Class		
Civil Engineering	Non-B Class		
Specialised Construction Activities	0%	42%*	0%
Wholesale	0%	25%*	75%*
Retail	Non-B Class		
Accommodation & Food Services	Non-B Class		
Land Transport, Storage & Post	0%	0%	60%*
Air & Water Transport	Non-B Class		
Recreation	Non-B Class		
Media Activities	100%	0%	0%
Telecoms	100%	0%	0%
Computing & Information Services	100%	0%	0%
Finance	100%	0%	0%
Insurance & Pensions	100%	0%	0%
Real Estate	100%	0%	0%
Professional Services	100%	0%	0%
Administrative & Supportive Services	25%*	0%	0%
Other Private Services	Non-B Class		
Public Administration & Defence	63%*	0%	0%
Education	Non-B Class		
Health	Non-B Class		
Residential Care & Social Work	Non-B Class		

Policy-On (FLUTE) Forecasts: Sheffield

The method used for re-categorising the FLUTE model employment forecasts by sector into B class uses is summarised below.

Experian Sector	Proportion of Jobs by Use Class		
	B1a/b Office	B1c/B2 Industrial	B8 Warehousing
Advanced Manufacturing	0%	100%	0%
Medium-Low Tech Manufacturing	0%	100%	0%
Low Carbon	0%	100%	0%
Construction	0%	25%*	0%
Logistics & Transport	0%	0%	32%*
Financial & Professional Services	100%	0%	0%
Creative & Digital Industries	100%	0%	0%
Business Services	100%	0%	0%
Public Administration	63%*	0%	0%
Retail	Non-B Class		
Sport, Leisure & Tourism	Non-B Class		
Health	Non-B Class		
Education	Non-B Class		
Other	Non-B Class		

Experian Baseline Forecasts: Rotherham

The method used for re-categorising the Experian employment forecasts by sector into B class uses is summarised below.

Experian Sector	Proportion of Jobs by Use Class		
	B1a/b Office	B1c/B2 Industrial	B8 Warehousing
Agriculture, Forestry & Fishing	Non-B Class		
Extraction & Mining	Non-B Class		
Food, Drink & Tobacco	0%	100%	0%
Textiles & Clothing	0%	100%	0%
Wood & Paper	0%	100%	0%
Printing and Recorded Media	0%	100%	0%
Fuel Refining	0%	100%	0%
Chemicals	0%	100%	0%
Pharmaceuticals	0%	100%	0%
Non-Metallic Products	0%	100%	0%
Metal Products	0%	100%	0%
Computer & Electronic Products	0%	100%	0%
Machinery & Equipment	0%	100%	0%
Transport Equipment	0%	100%	0%
Other Manufacturing	0%	100%	0%
Utilities	0%	59%*	0%
Construction of Buildings	Non-B Class		
Civil Engineering	Non-B Class		
Specialised Construction Activities	0%	57%*	0%
Wholesale	0%	28%*	72%*
Retail	Non-B Class		
Accommodation & Food Services	Non-B Class		
Land Transport, Storage & Post	0%	0%	76%*
Air & Water Transport	Non-B Class		
Recreation	Non-B Class		
Media Activities	100%	0%	0%
Telecoms	100%	0%	0%
Computing & Information Services	100%	0%	0%
Finance	100%	0%	0%
Insurance & Pensions	100%	0%	0%
Real Estate	100%	0%	0%
Professional Services	100%	0%	0%
Administrative & Supportive Services	66%*	0%	0%
Other Private Services	Non-B Class		
Public Administration & Defence	73%*	0%	0%
Education	Non-B Class		
Health	Non-B Class		
Residential Care & Social Work	Non-B Class		

Policy-On (FLUTE) Forecasts: Rotherham

The method used for re-categorising the FLUTE model employment forecasts by sector into B class uses is summarised below.

Experian Sector	Proportion of Jobs by Use Class		
	B1a/b Office	B1c/B2 Industrial	B8 Warehousing
Advanced Manufacturing	0%	100%	0%
Medium-Low Tech Manufacturing	0%	100%	0%
Low Carbon	0%	100%	0%
Construction	0%	32%*	0%
Logistics & Transport	0%	0%	34%*
Financial & Professional Services	100%	0%	0%
Creative & Digital Industries	100%	0%	0%
Business Services	100%	0%	0%
Public Administration	73%*	0%	0%
Retail	Non-B Class		
Sport, Leisure & Tourism	Non-B Class		
Health	Non-B Class		
Education	Non-B Class		
Other	Non-B Class		

Figures marked with an * have been derived using an analysis of data from the Business Register and Employment Survey in order to ensure that the analysis reflects the structure of the local economy.

Appendix 3 Experian (Baseline) Employment Forecasts

Experian Baseline Forecasts: Sheffield

The table below sets out the level of baseline employment change, by sector, assumed within the Experian baseline employment forecast for Sheffield.

	2015	2031	Change (2015-2031)
Agriculture, Forestry & Fishing	700	680	-20
Extraction & Mining	30	30	0
Food, Drink & Tobacco	2,470	2,150	-320
Textiles & Clothing	480	260	-220
Wood & Paper	1,160	760	-400
Printing & Recorded Media	1,270	860	-410
Fuel Refining	0	0	0
Chemicals	470	330	-140
Pharmaceuticals	180	240	60
Non-Metallic Products	1,090	870	-220
Metal Products	9,820	8,390	-1,430
Computer & Electronic Products	1,320	1,360	40
Machinery & Equipment	2,270	2,260	-10
Transport Equipment	480	500	20
Other Manufacturing	3,610	3,100	-510
Utilities	1,790	2,270	480
Construction of Buildings	5,560	7,280	1,720
Civil Engineering	1,390	1,740	350
Specialised Construction Activities	9,170	12,170	3,000
Wholesale	16,430	18,390	1,960
Retail	27,580	28,640	1,060
Land Transport, Storage & Post	12,500	14,890	2,390
Air & Water Transport	30	30	0
Accommodation & Food Services	13,940	16,410	2,470
Recreation	7,900	8,610	710
Media Activities	1,800	2,090	290
Telecoms	4,110	4,100	-10
Computing & Information Services	4,600	5,180	580
Finance	9,320	10,950	1,630
Insurance & Pensions	200	220	20
Real Estate	4,550	5,370	820
Professional Services	18,050	20,770	2,720
Administrative & Support Services	19,800	24,880	5,080
Other Private Services	5,710	7,230	1,520
Public Administration & Defence	14,420	14,040	-380
Education	34,220	40,200	5,980
Health	30,940	39,510	8,570
Residential Care & Social Work	14,060	17,160	3,100
Total	283,420	323,920	40,500

Experian Baseline Forecasts: Rotherham

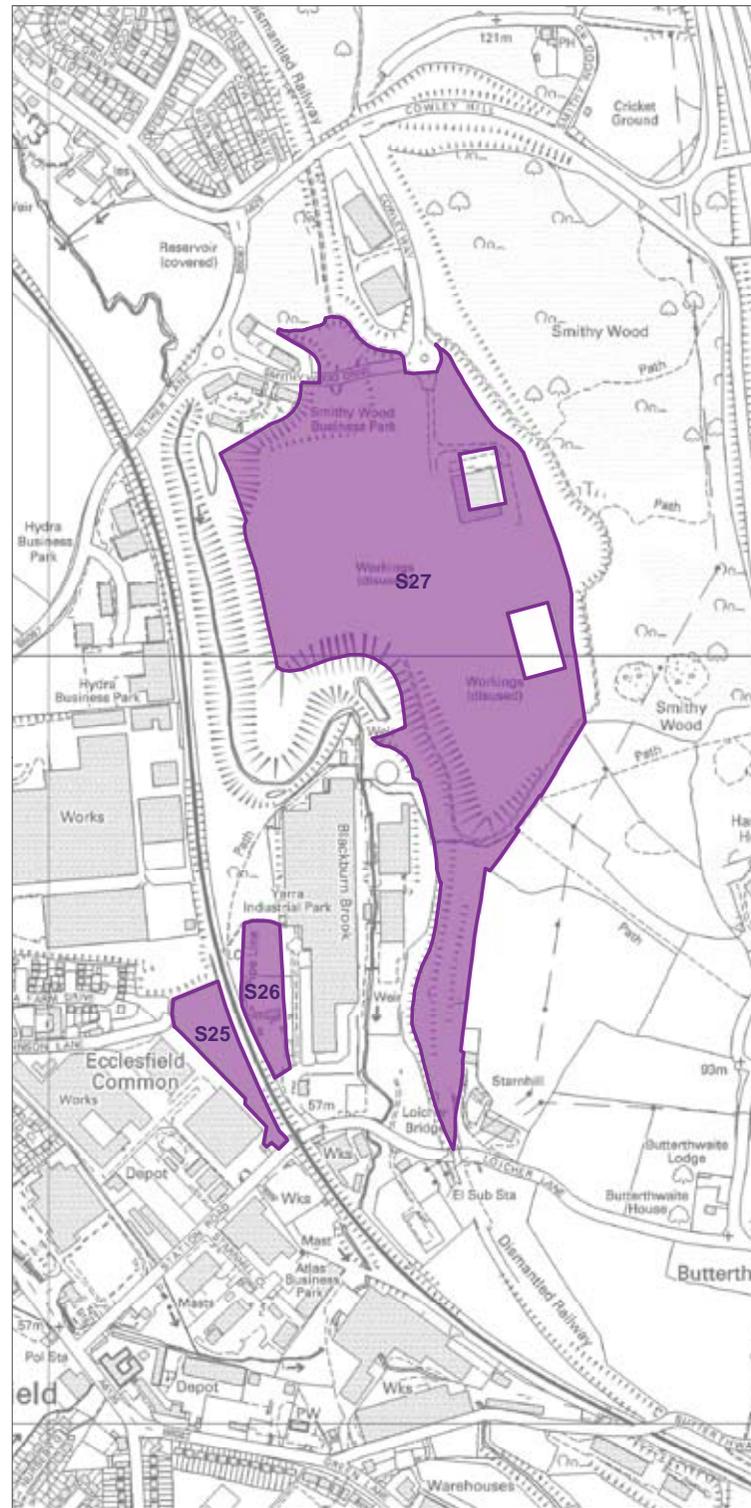
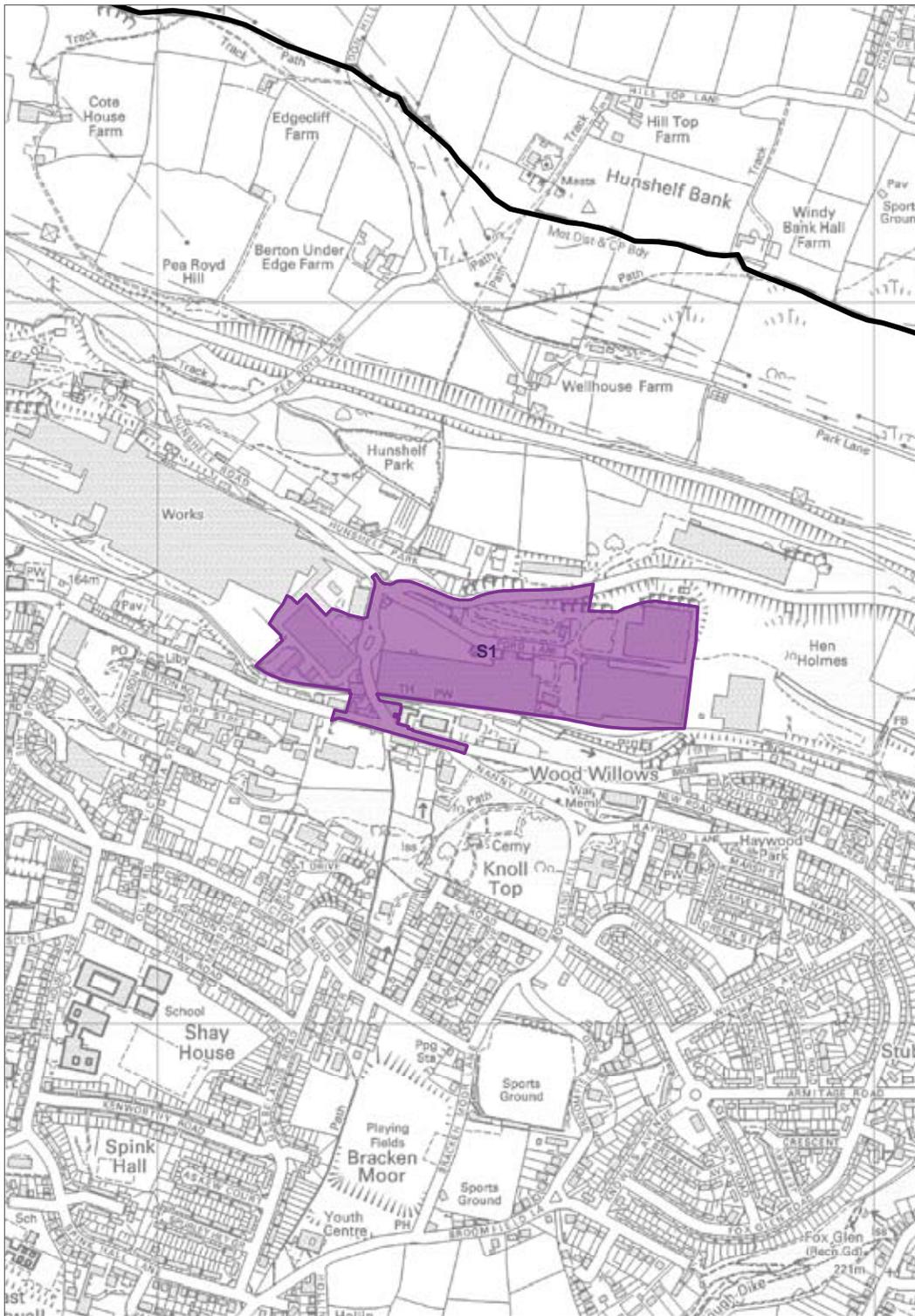
The table below sets out the level of baseline employment change, by sector, assumed within the Experian baseline employment forecast for Rotherham.

	2015	2031	Change (2015-2031)
Agriculture, Forestry & Fishing	480	470	-10
Extraction & Mining	400	390	-10
Food, Drink & Tobacco	1,380	1,400	20
Textiles & Clothing	130	80	-50
Wood & Paper	770	570	-200
Printing & Recorded Media	750	600	-150
Fuel Refining	40	40	0
Chemicals	370	300	-70
Pharmaceuticals	0	0	0
Non-Metallic Products	1,480	1,350	-130
Metal Products	4,660	4,620	-40
Computer & Electronic Products	1,250	1,090	-160
Machinery & Equipment	970	810	-160
Transport Equipment	1,200	1,050	-150
Other Manufacturing	1,350	1,240	-110
Utilities	1,790	1,850	60
Construction of Buildings	2,490	2,910	420
Civil Engineering	1,570	1,890	320
Specialised Construction Activities	6,270	7,430	1,160
Wholesale	5,580	6,060	480
Retail	10,650	10,730	80
Land Transport, Storage & Post	6,430	6,600	170
Air & Water Transport	10	10	0
Accommodation & Food Services	5,180	6,650	1,470
Recreation	2,070	2,440	370
Media Activities	290	330	40
Telecoms	210	210	0
Computing & Information Services	1,320	1,530	210
Finance	1,530	1,620	90
Insurance & Pensions	0	0	0
Real Estate	880	1,060	180
Professional Services	5,110	5,930	820
Administrative & Support Services	12,640	15,510	2,870
Other Private Services	3,060	3,310	250
Public Administration & Defence	6,360	5,740	-620
Education	11,080	13,160	2,080
Health	7,470	8,610	1,140
Residential Care & Social Work	5,920	6,530	610
Total	113,140	124,120	10,980

Appendix 4 Site Assessment Matrix

Economic Development / Mixed-use Land Allocations										SITE ASSESSMENT CRITERIA										SITES WITH EXISTING DEVELOPMENT					
NLP Site Ref	Economic Development Sites	Site Allocation Ref	Total Site Area (Ha)	Net Site Area	Business Use Classes	Mixed-use site allocation	Employment site allocation	Expansion Land	Available for Development of B1 / B2 / B8	Planning History	Access to Strategic Highway Network	Local Road Access	Proximity to Urban Areas	Compatibility of adjoining uses	Site Characteristics and Physical Constraints	Infrastructure	Market Attractiveness	Total	Ownership Factors	Type of Use	Vacant Floorspace (%)	Age of Premises	Condition of Premises	Available Development Land	Residual Alternative Site
Rotherham																									
1	Advanced Manufacturing Park Site, Waverley	E22	59.39	28.15	Draft policy supports proposals within Classes B1b/c research & development / studios / laboratories / high-tech, light industry, and B2 general industry (specifically advanced manufacturing / engineering) which can demonstrate that they contribute towards the advanced manufacturing and materials sector. Proposals for B1(a) offices will only be acceptable where they are ancillary to the main use of the Advanced Manufacturing Park.		✓			Numerous planning permissions relating to advanced manufacturing: RB2000/1436: Outline application for the development of first phase of advanced technology park including uses in class B1, offices, research and development/industry RB2003/0046: Outline application for development of advanced manufacturing park including business uses in classes B1 & B2 with related infrastructure and landscaping various subsequent permissions - details of remaining plots can be provided	5	5	3	5	4	4	5	31	Harworth Estates	B1/B2	low	Post-2000	Very good	35%	
2	Aston Common - East of Mansfield Road Industrial Estate	E28	2.43	2.43	Draft policy supports: B1a (where satisfying sequential test) B1b/c		✓			None	4	3	2	2	3	2	3	19	Private ownership. Put forward as a site allocation suggestion.						
3	Aston Common - West of Mansfield Road	E27	2.36	2.36	Draft policy supports: B1a (where satisfying sequential test) B1b/c, B2 and B8		✓			Non recent - last permission was in 1983 for Off site tipping & landscaping.	4	2	2	3	3	2	2	18	Private ownership. Put forward as a site allocation suggestion.						
4	EWS Dismantled Railway Line, Wood Lane	E35	5.85	3.98	Draft policy supports: B1a (where satisfying sequential test) B1b/c, B2 and B8		✓			RB2001/1516 - Outline application for railfreight and intermodal facility including warehouse development with ancillary offices. This permission was partly in Sheffield, and was intended to deliver an intermodal rail freight development on the Rotherham part of the site (the proposed allocation site). Whilst development within Sheffield has taken place, the development within Rotherham has not.	4	3	3	3	2	2	2	19	DB Schenker Rail (UK) Ltd (formerly EWS) - put forward as a site allocation suggestion						
5	Former Beighton Colliery Site, Park View Swallownest	E30	4.10	1.63	Draft policy supports: B1a (where satisfying sequential test) B1b/c, B2 and B8		✓			Outline application for mixed use development comprising A3 (Food and Drink), C1 (Hotel), B1(Business) B2 (General Industrial)and B8 (Storage & Distribution) uses with associated contouring works including details of the means of access Surrounding areas have been developed; the site represents the remaining plots.	4	3	2	4	3	3	3	22	Private - Not known	B1/B2	0%	Post-2000	Very good	55%	
6	Highfield Commercial, Waverley	MU21	15.99	4.70	1 Land north of, and including, the University of Sheffield training centre Part of this site is undevelopable due to ground conditions - B1a, B1b, B1c (business) 2 Land south of Mitchell Way Appropriate uses in this location are: - C3 (residential) 3 Land north of Mitchell Way and south of the University of Sheffield training centre Appropriate uses in this location are: - B1a, B1b, B1c, D1, D2, A1, A2, A3, A4, A5, C1 (Hotel) B1 uses (primarily B1b and B1c with an element of B1a office floorspace) along with a conference centre and a hotel shall form the majority of this part of the mixed use area (not less than 50% of the built floorspace of any agreed masterplan for this area). A1 retail floorspace shall not exceed 1,900 square metres gross and no more than 1,500 square metres gross of A1 retail floorspace shall be provided in a single unit.	✓				• Outline Permission (RB2004/1571) was granted in January 2008 for B1, B2, B8, hotel, railway station and ancillary retail and leisure development. A condition restricted to 3000 sq m of retail and leisure and no individual retail unit to be more than 500 sq m. • Outline Permission (RB2006/1695 (OUT) was granted in April 2013 for the development of B1 Offices (60,000m²), hotel and ancillary retail & leisure facilities including details of access at land off High Field Spring Catcliffe Rotherham for Helical Governance and Harworth Estates Ltd. A condition restricted floorspace within use classes A1, A2, A3, A4, A5 and D1 and D2 to 500 square metres. This was intended to facilitate government department relocations - it is acknowledged that this will no longer now take place Part of the site has been developed as a training centre (University of Sheffield) and a pub/restaurant has also been developed	5	5	3	3	2	3	4	25		B1/C3/A4	0%	Post-2000	Very good	55%	

30	Rawson Spring Road	P00430	0.64	0.00	B2/B8	✓	No	08/04359/FUL Erection of 11 business units in 2 blocks (B1 - Light Industrial, B2 - General Industry and B8 - Storage and Distribution) and provision of bin store, associated car parking accommodation and landscaping works (as amended plans 10.10.2008). Approved in 2008. 11/02819/FULR - extension of time to original application - Granted in 2011. 11/02901/COND - discharge of	3	3	3	4	3	3	3	22	A1 - Builders Merchant open to members of the public.	0	Appear temporary Buildings take form of storage containers	0
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- S1. Corus And Outokumpu Works, Ford Lane /Manchester Road/Hunshelf Road
- S25. Former Petrol Depot, Johnson Lane/ Station Road
- S26. Next to Arthur Lee Works, Loicher Lane, Ecclesfield
- S27. Smithywood, Cowley Hill, Chapeltown

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Title Employment Sites: Sheffield

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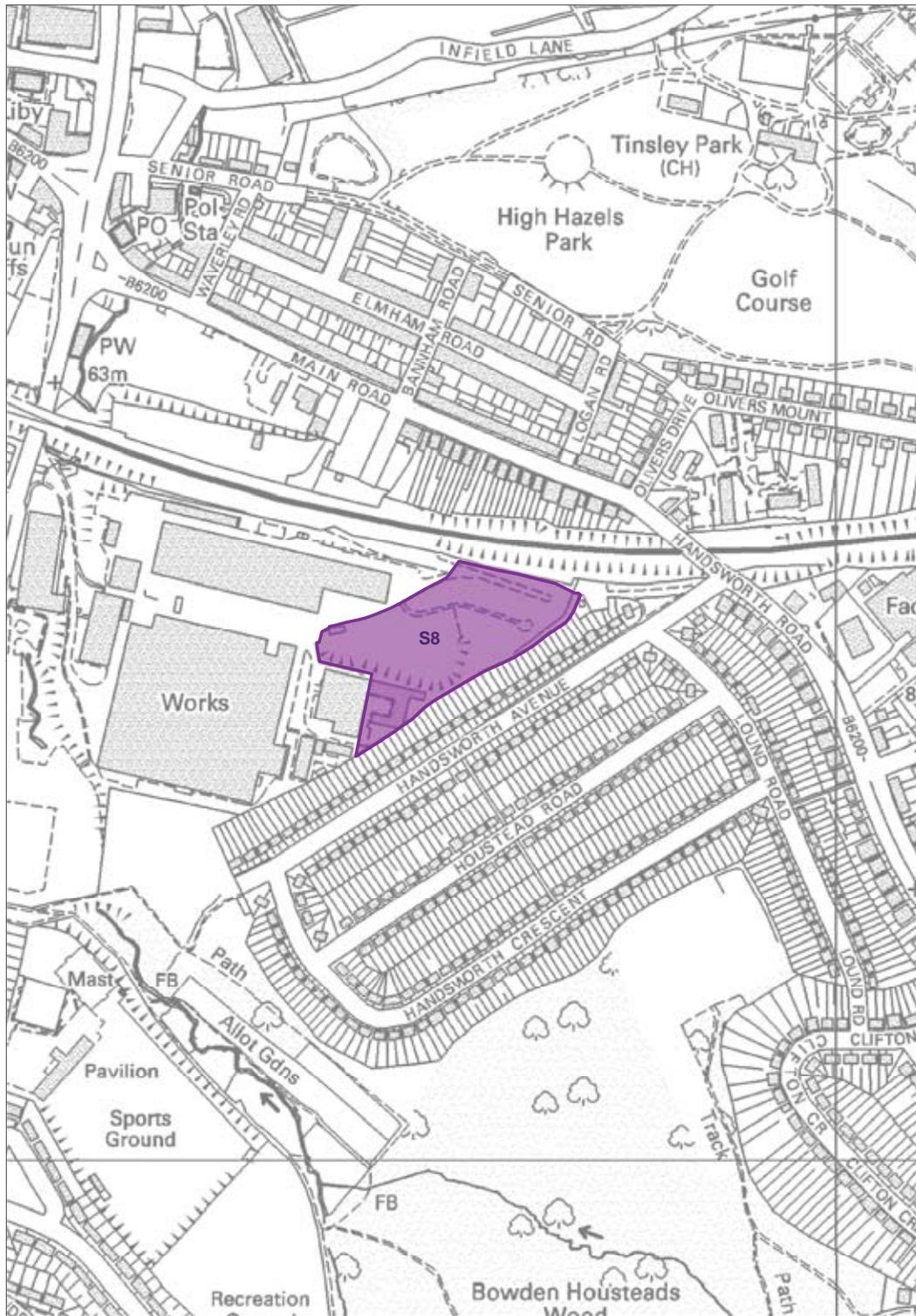
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- S8. Rear of Davy McKee, Prince of Wales Road
- S11. Former Asda site Orgeave Place 1
- S28. Mosborough Wood Business Park



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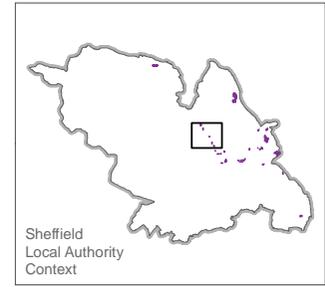
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Key

 Employment Site



- S21. Livesey Street/Doncaster Lane
- S22. Site of Doncasters, between Rivers Loxley and Don
- S23. Beeleywood, Claywheels Lane
- S24. United Cranes Site, Claywheels Lane
- S30. Rawson Spring Road



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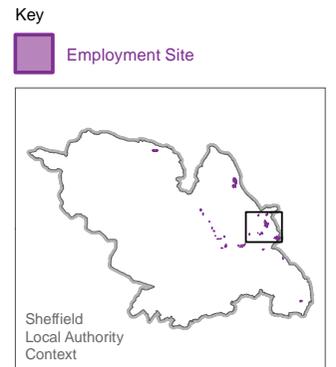
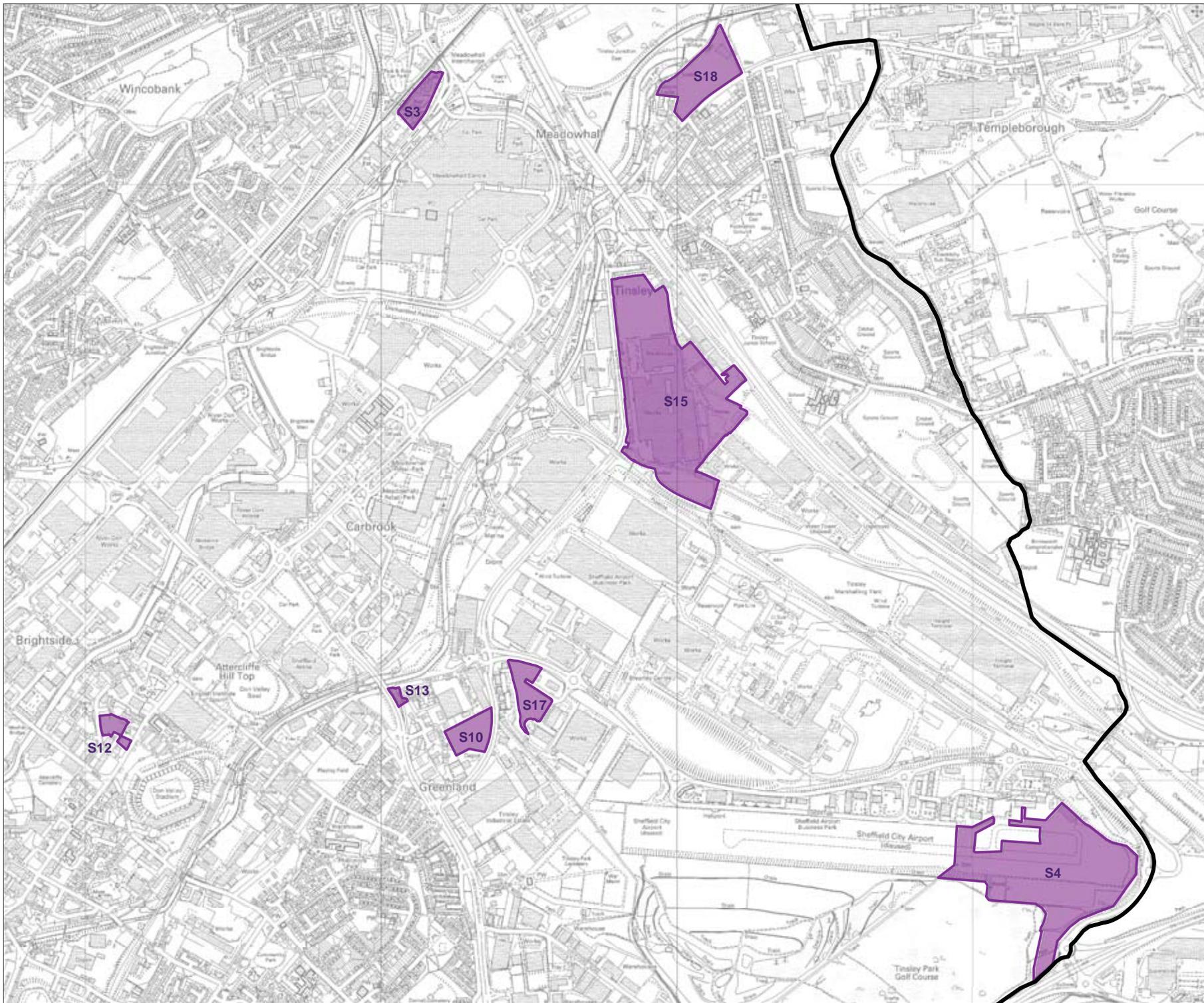


- S2. Clarkson Osborne site on Penistone Road
- S5. Cannon Brewery, Rutland Road
- S6. Stanley Tools, Rutland Road
- S7. West Bar Triangle
- S9. Broadlands, Lumley Street
- S14. Lumley Street
- S16. Ripon Street/Woodbourn Hill
- S19. Nunery Sidings (East)
- S20. Former Clifton Steelworks, Club Mill Road/Hoyland Road
- S22. Site of Doncasters, between Rivers Loxley and Don
- S29. Footprint Tools & Synters



Project	Joint Sheffield & Rotherham Employment Land Review
Title	Employment Sites: Sheffield
Client	Sheffield City Council & Rotherham Metropolitan Borough Council
Date	13.10.2015
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- S3. Meadowhall and surrounding areas - Passenger Transport Interchange (PTI) and Petrol Filling Station (PFS)
- S4. South and east of the former airport
- S10. Calor site, Shepcote Lane
- S12. Former Dr John Worrall School, Attercliffe
- S13. Huntsman's Gardens
- S15. Outokumpu, Shepcote Lane
- S17. Shepcote Lane/Europa Link
- S18. Vantage Riverside

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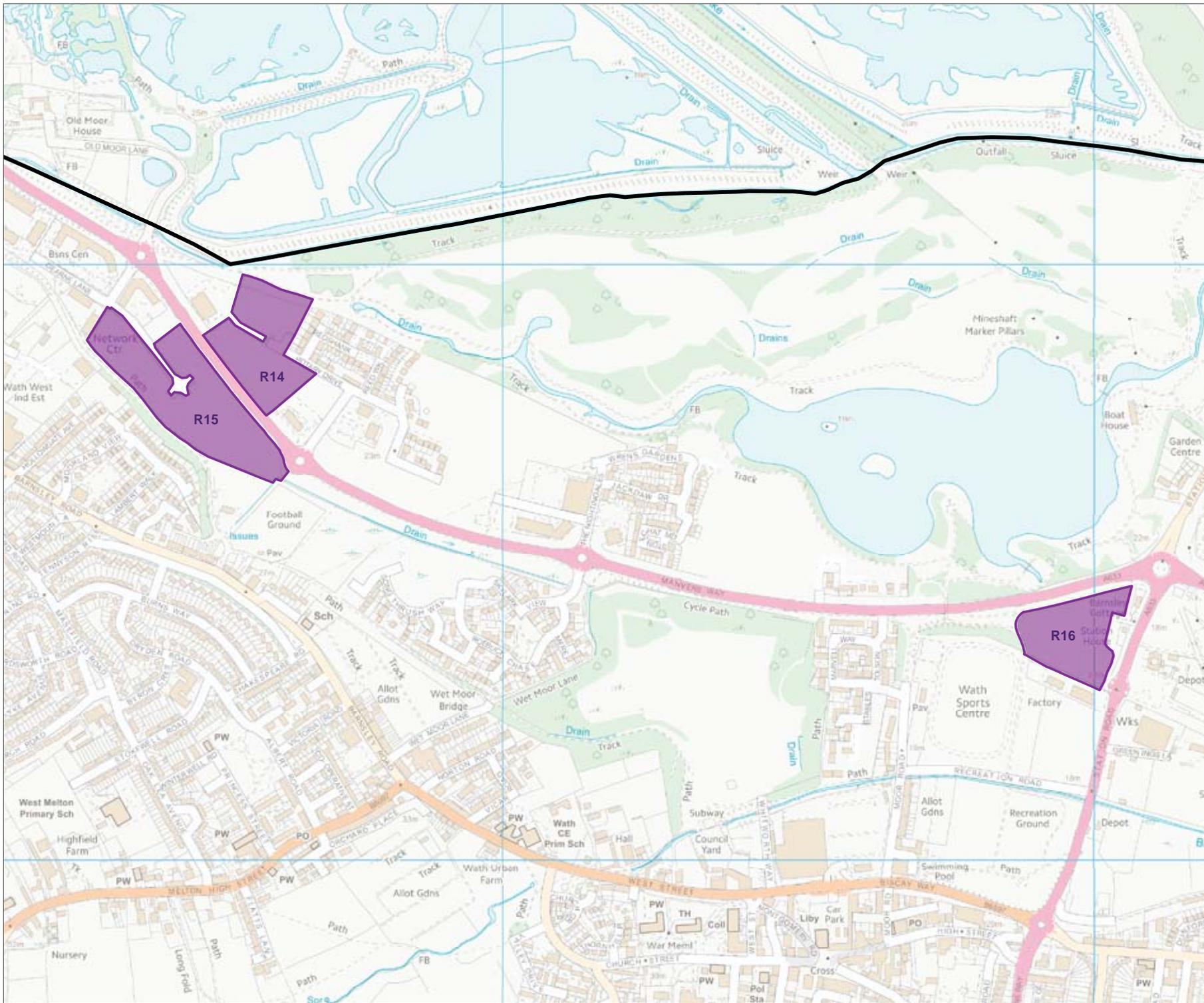
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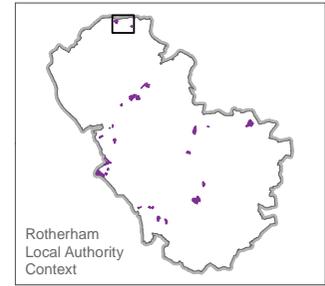
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Key

Employment Site



Rotherham
Local Authority
Context

R14. Manvers Way, Brampton
R15. Manvers Way/Dearne Lane, Brampton
R16. Manvers Way/Station Road, Wath

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Title Employment Sites: Rotherham

Client Sheffield City Council & Rotherham
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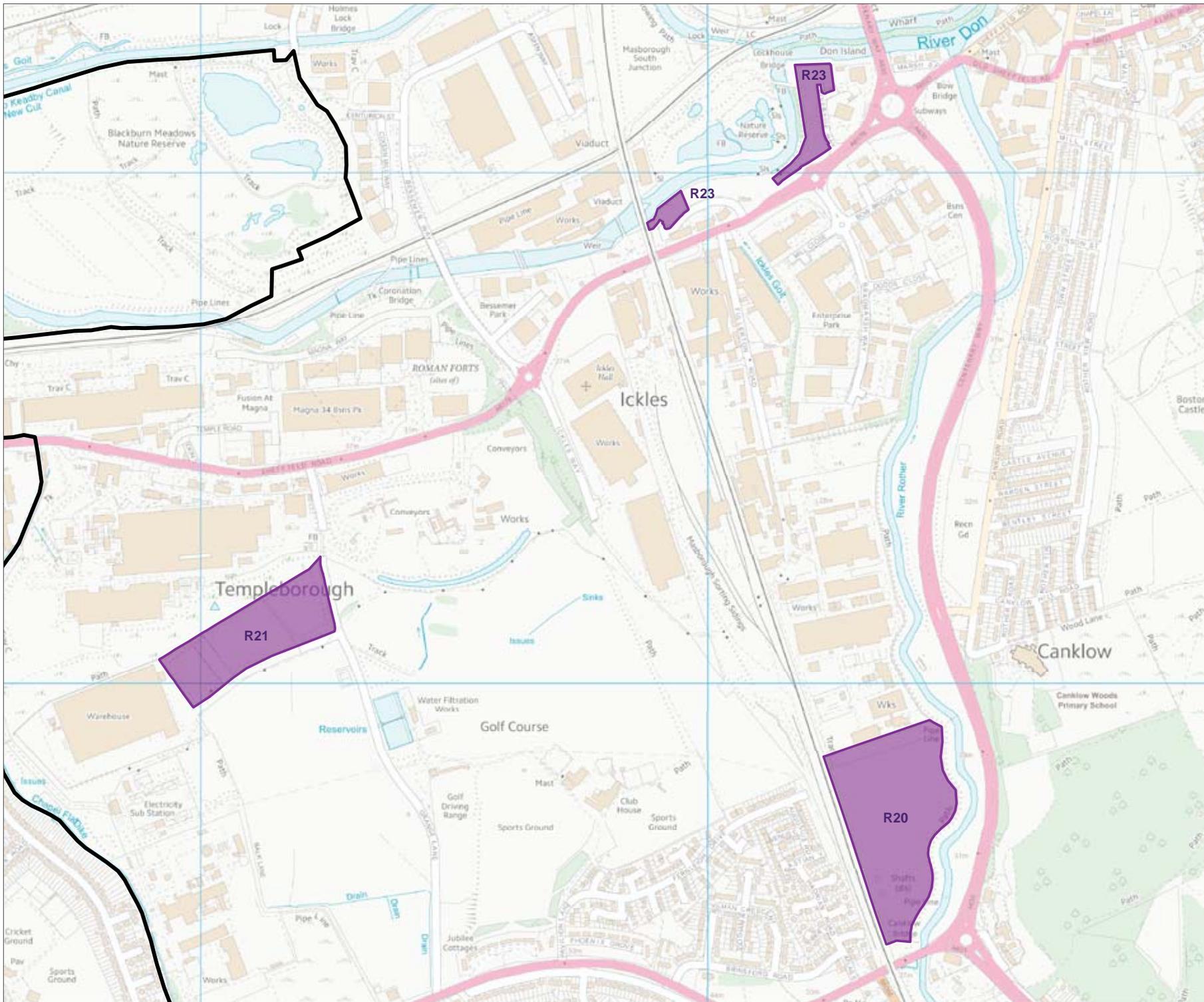
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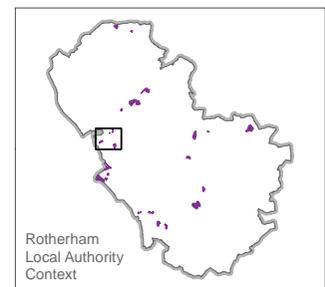
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(01) - Rotherham - 13.10.2015.mxd



Key
 Employment Site



R20. Off Centenary Way/Bawtry Road
 R21. Off Grange Lane, Templeborough
 R23. Phoenix Business Park, Sheffield Road, Templeborough

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 Employment Land Review

Title Employment Sites: Rotherham

Client Sheffield City Council & Rotherham
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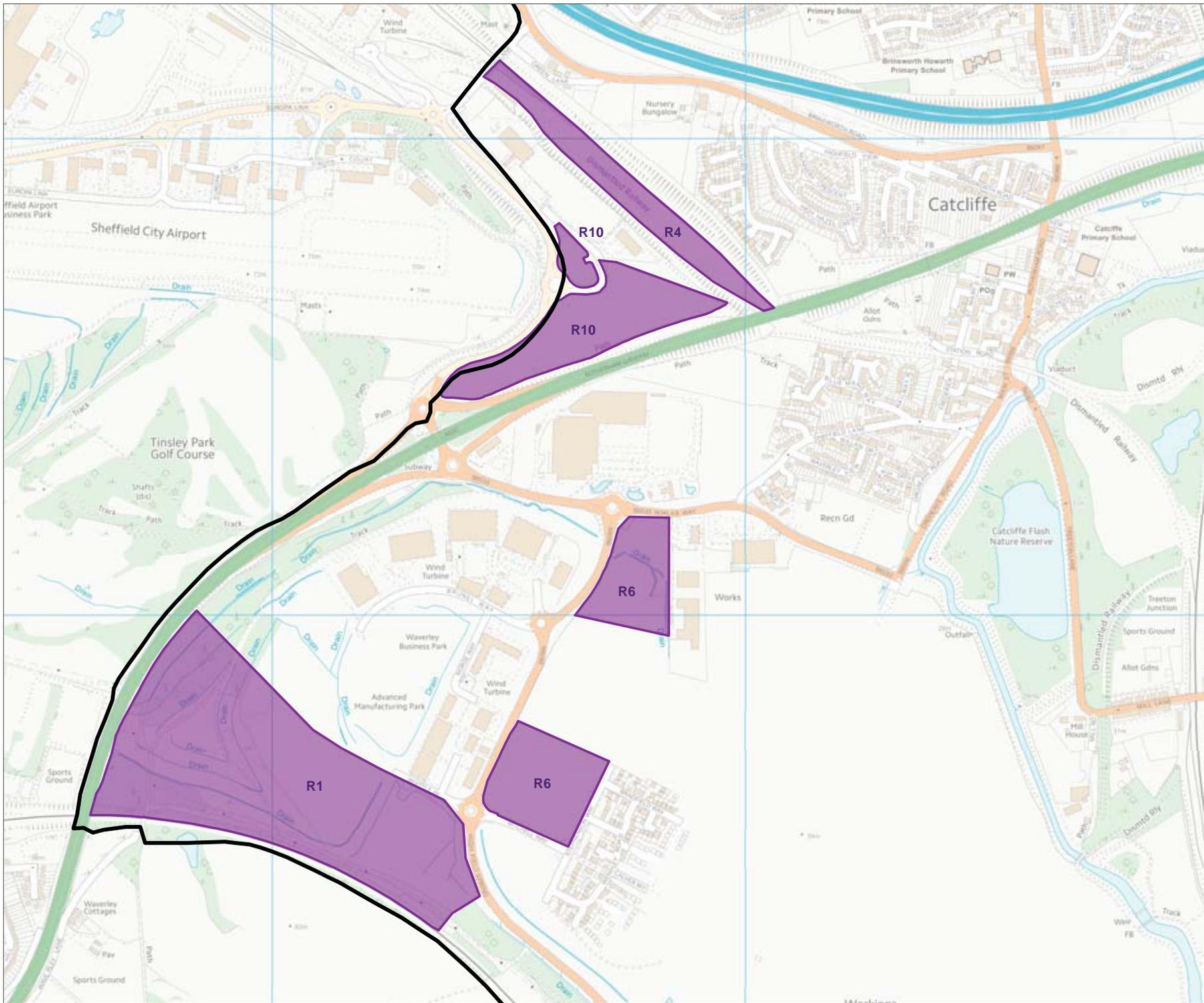
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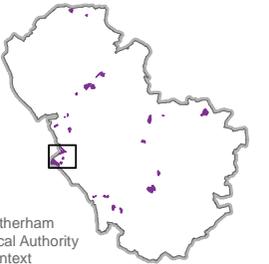
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Key

 Employment Site



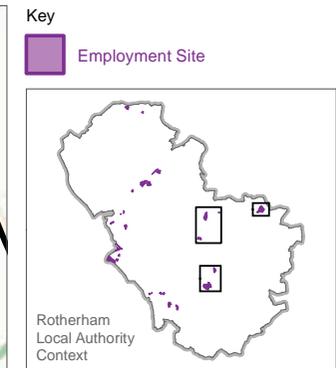
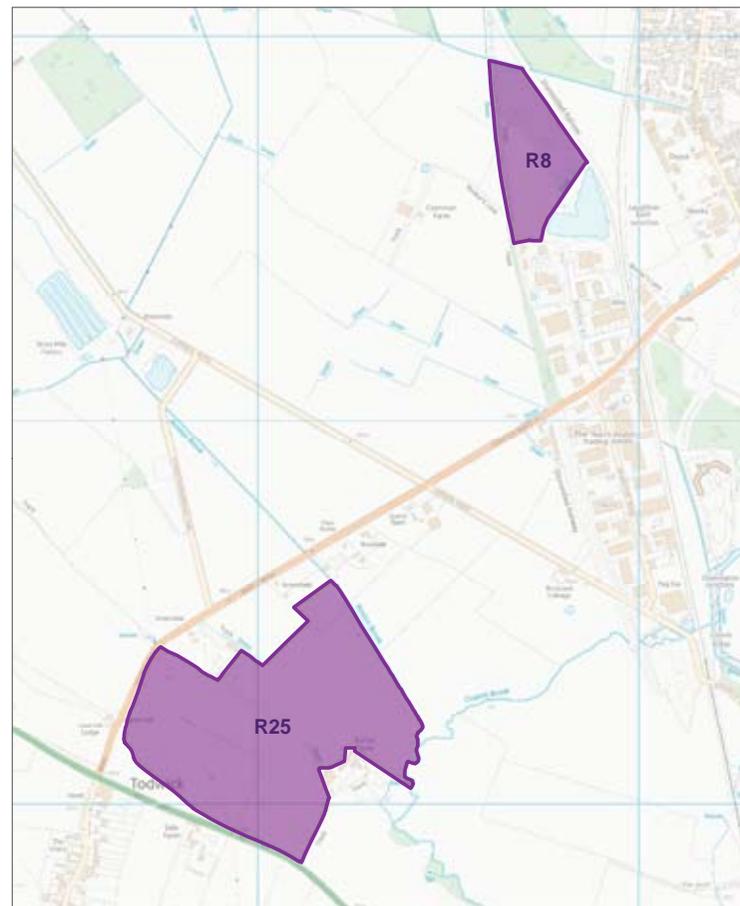
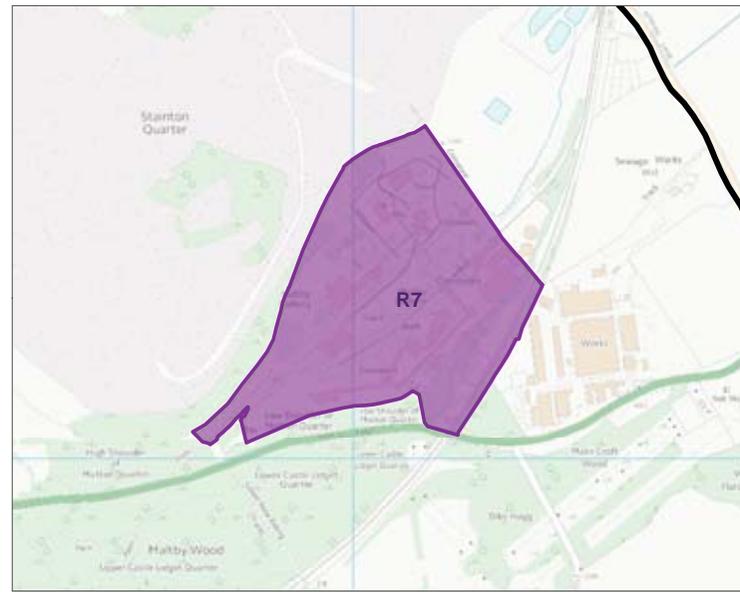
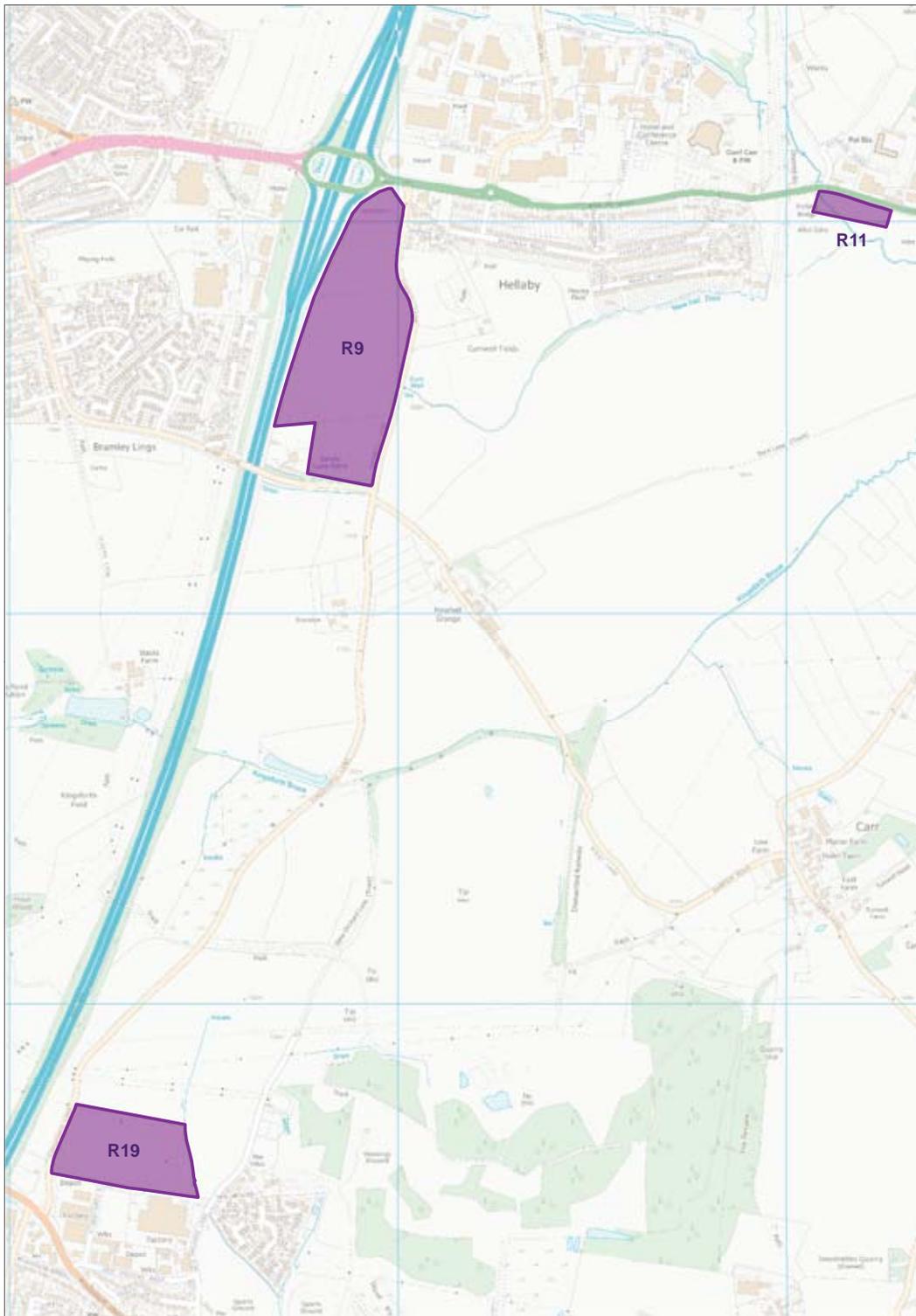
Rotherham
Local Authority
Context

- R1. Advanced Manufacturing Park Site, Waverley
- R4. EWS Dismantled Railway Line, Wood Lane
- R6. Highfield Commercial, Waverley
- R10. Land off Europa Link, Catcliffe

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- R7. Land at Former Maltby Colliery
- R8. Land off Bookers Way, Dinnington
- R9. Land off Cumwell Lane, Hellaby
- R11. Land off Rotherham Road, Maltby
- R19. North of Thurcroft Industrial Estate
- R25. Todwick North, North East of A57 New Todwick Roundabout

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