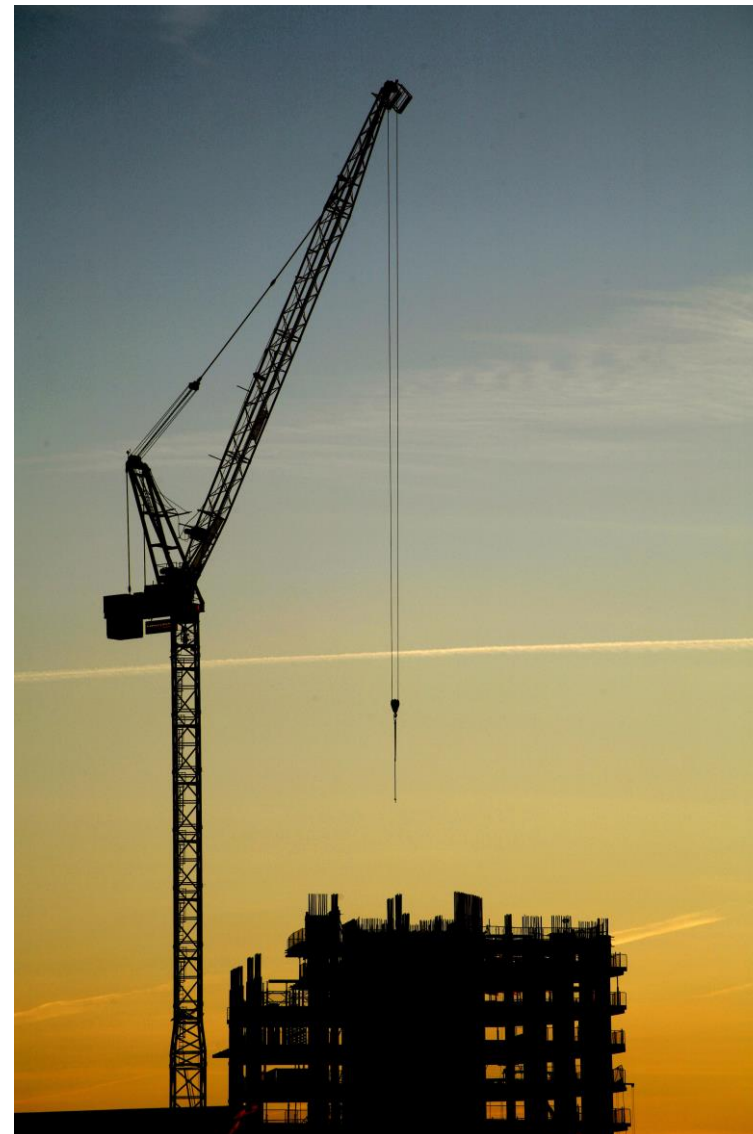


2. Challenges and Opportunities for Sheffield to 2034

The future presents many opportunities for Sheffield, yet there are also a number of challenges our city is facing. Sheffield is widely connected to the rest of the country and the world and, therefore, broader national and global trends will have an impact on the city. The Sheffield Plan will have to grasp opportunities and respond to these challenges to help make the city successful, distinctive, inclusive, vibrant and sustainable¹.

This chapter sets out the key challenges and opportunities for Sheffield between now and 2034.



¹ Sheffield City Strategy, 2010-15



Key Facts

- Sheffield's population is projected to rise by **62,000** people between now and 2034, if current trends persist. Population rises may be higher if economic growth continues.
- Sheffield's population is getting older – by 2034, projections suggest that nearly **1 in 5** people living in the city will be over 65. The population of those over 85 is predicted to double.
- **18.3%** of Sheffield's workers are employed in the financial and business sector, compared to 24.5% in Manchester, and 33.6% in London.
- Gross Value Added, the measure of productivity, is **£3bn** lower than the national average in Sheffield City Region.
- **27,000** people work in the Creative and Digital Industries in Sheffield City Region.
- There are around **60,000** students at the city's two universities.
- On average, every day **63,000** people commute to Sheffield.
- Evidence shows that between 2014 and 2034, between **40,000 and 46,000** homes are needed in Sheffield – that's between **2,000 and 2,300** each year on average.
- Winter rainfall is predicted to increase in the city by **14%** from 2009 to 2050.
- **84.9%** of the over-16 population in Sheffield have used the internet at some point in their lives, compared to 87.2% of the wider UK population.



2.2 Stimulating Economic Growth and Job Creation

Sheffield's economy is changing and growing after a period of lower growth due to the global recession. The city faces a range of challenges in shifting to a more dynamic economy that is responsive to change, and that provides well paid, rewarding jobs to the workforce.

Sheffield still has a relatively high level of **manufacturing jobs** compared to other large cities, and a large proportion of its workforce is employed in the public sector (see Table 1). Nationally, it is predicted that the country will need fewer manufacturing jobs over the next 10 years, but an increase of financial and business related jobs².

	Sheffield	Greater Manchester	Leeds	London
Manufacturing	9%	8.8%	7.1%	2.3%
Financial and Professional	18.3%	24.5%	22.3%	33.6%
Public Administration	35.1%	26.9%	28.7%	22.6%

Table 1: Percentage of Workforce in Different Sectors, Nomis, 2014

However, Figure 1 shows that, compared to the national figures, the proportion of manufacturing jobs is only slightly higher in Sheffield, but education and

² UKCES, 2014

public health are relatively important sectors. There is significantly less representation in professional and business services in Sheffield than nationally.

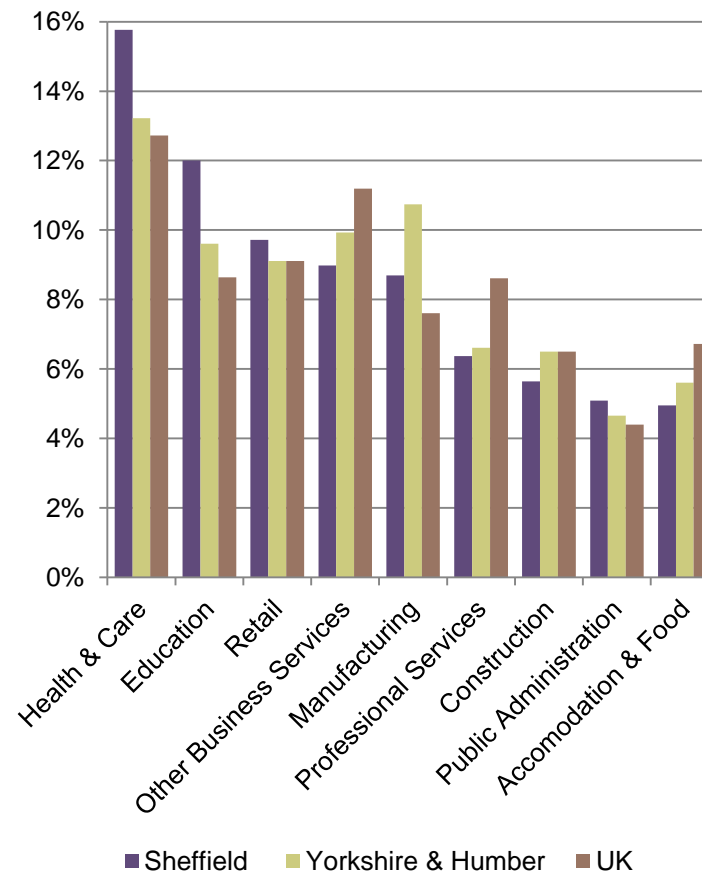


Figure 1: Key Employment Sectors, 2015, Source: Sheffield and Rotherham Joint Employment Land Review, 2015



Other key issues for the city's economy are as follows:

- **Unemployment** has dropped in the city over the past two years but is still higher than the national figure, particularly in terms of youth unemployment³.
- The measure of **economic productivity**, Gross Value Added (GVA), shows Sheffield to be below the national average. Across the wider Sheffield City Region, GVA is £3bn lower than the national average (excluding London) illustrating difficulties in moving towards a more productive economy⁴.
- **Wages** in the city have increased in the past few years, but at a lower rate than other parts of the country⁵.
- **Skills** levels are also somewhat lower in Sheffield and the wider City Region than other areas, with higher numbers of residents with no qualifications than the national average.
- Latest statistics show that Sheffield is the 41st most deprived local authority area for **educational attainment**. There are also sharp divides in attainment, with areas of the city ranging from 46th

³ Sheffield Corporate Plan, 2015-18

⁴ Sheffield City Region Strategic Economic Plan, 2014-24

⁵ Median wages in Sheffield for workers in the city are approximately £390 per week, but are over £400 per week in Leeds and Birmingham, and over £450 per week in Manchester (Annual Employment Survey, 2014)

most deprived to 32,790th most deprived in England in terms of educational attainment⁶.

A key challenge for Sheffield's economy will be to make the step up to national levels of economic activity and productivity through transforming its economic base towards higher growth and more productive sectors. This is likely to require shifts in skills training as well as new infrastructure to support economic growth⁷.

Opportunities for a Growing Economy

- A growing advanced manufacturing sector, with more apprenticeships and work-based training than other large cities, mainly located around the Sheffield Business Park/Advanced Manufacturing Park on the Sheffield-Rotherham border⁸.
- Two universities, with around 60,000 students who can help meet the requirement to fill the identified need for 30,000 high skilled jobs in the Sheffield City Region.
- Highly accessible and well-connected spaces for new firms to locate, making Sheffield a key location for economic growth in the City Region and more widely.

⁶ ONS, English Indices of Deprivation, 2015

⁷ Sheffield City Region Strategic Economic Plan, 2014-24

⁸ Sheffield Corporate Plan, 2015-2018



- A recognised centre for creative and digital industries, with around 27,000 employed in the creative and digital industries in the City Region, with the large majority being based in Sheffield⁹.
- Increased focus on skills development in Sheffield City Region following the devolution deal announced in October 2015, with locally controlled funding for enhancing training provision in this area.

2.3 Meeting the Needs of a Rising Population and Housing the City's Residents

The population of Sheffield has risen significantly in the past 10 years, after a decline from the 1970s to the 1990s. Figure 2 shows the recent increase in population, which grew by 7.5% between 2001 and 2011 and is projected to rise to 625,000 by 2034 if recent past trends continue. A key task for the Sheffield Plan will be to decide where new housing will be located to provide homes for this growing population.

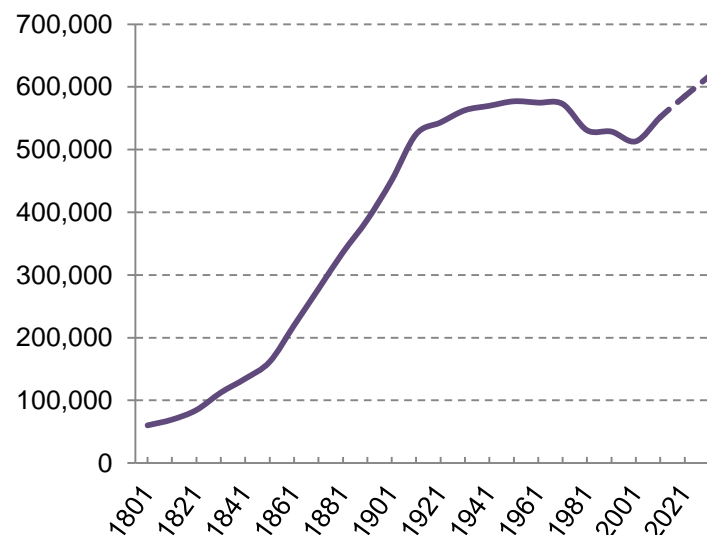


Figure 2: Sheffield Population 1801 to 2031 (projected)¹⁰

The future population is likely to be:

- On average older, with 20% of Sheffield residents being over 65 by 2034 and a doubling of residents over 85 within the next 20 years (See Figure 3).
- More likely to stay in Sheffield – whilst there is currently a net outflow of people moving to outside the city, this trend is decreasing¹¹.
- More likely to move to Sheffield from abroad, with approximately 6,000 people moving to Sheffield

⁹ Creative Sheffield statistics

¹⁰ Sheffield City Council and ONS

¹¹ ONS, Internal Migration, 2014

each year, many of whom are students who leave Sheffield after their studies¹².

- More likely to live in the City Centre. Over the past 15 years the greatest rises in population have been in the City Centre and some areas to the east of the city. Some areas in the south of Sheffield have lost population (See Figure 4, p.11).

Figure 3 shows the predicted population growth by age in Sheffield from 2012 to 2034.

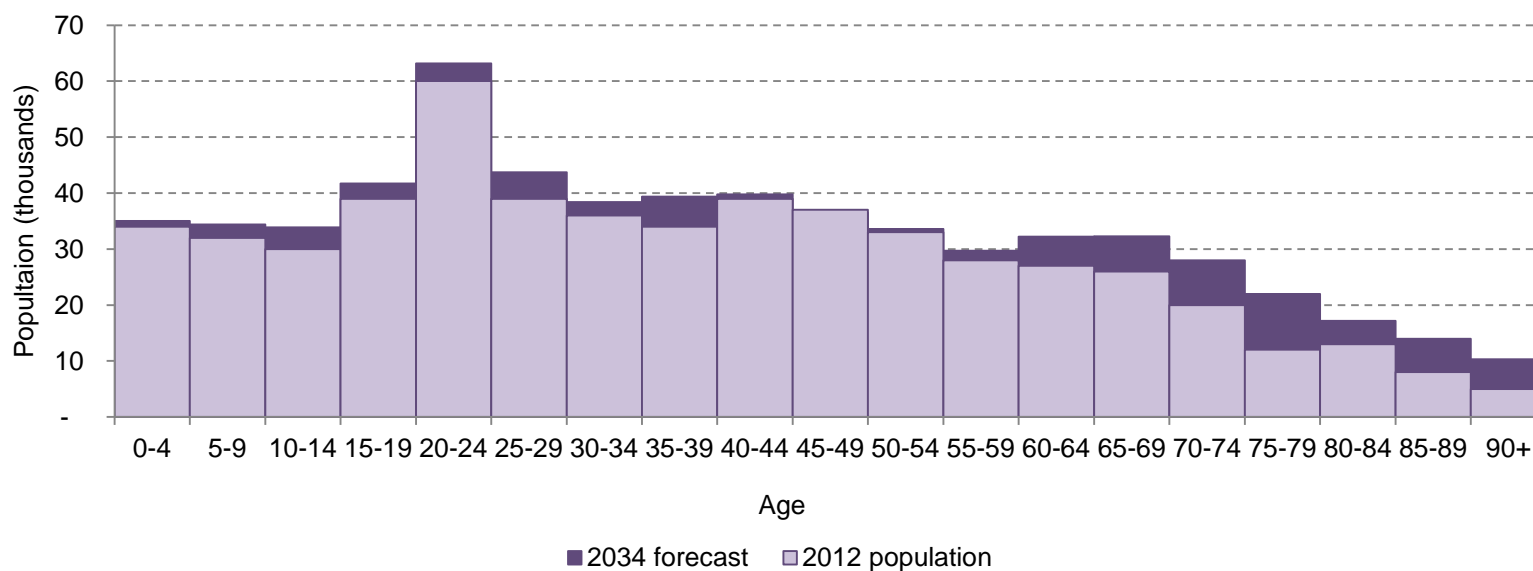


Figure 3: Predicted population growth, 2012 - 2034

¹² There were 12,000 non-UK students at university in Sheffield in 13/14; an additional 5,000 compared to 10 years ago. The visas of all non-EU students (10,000) expire on course completion.



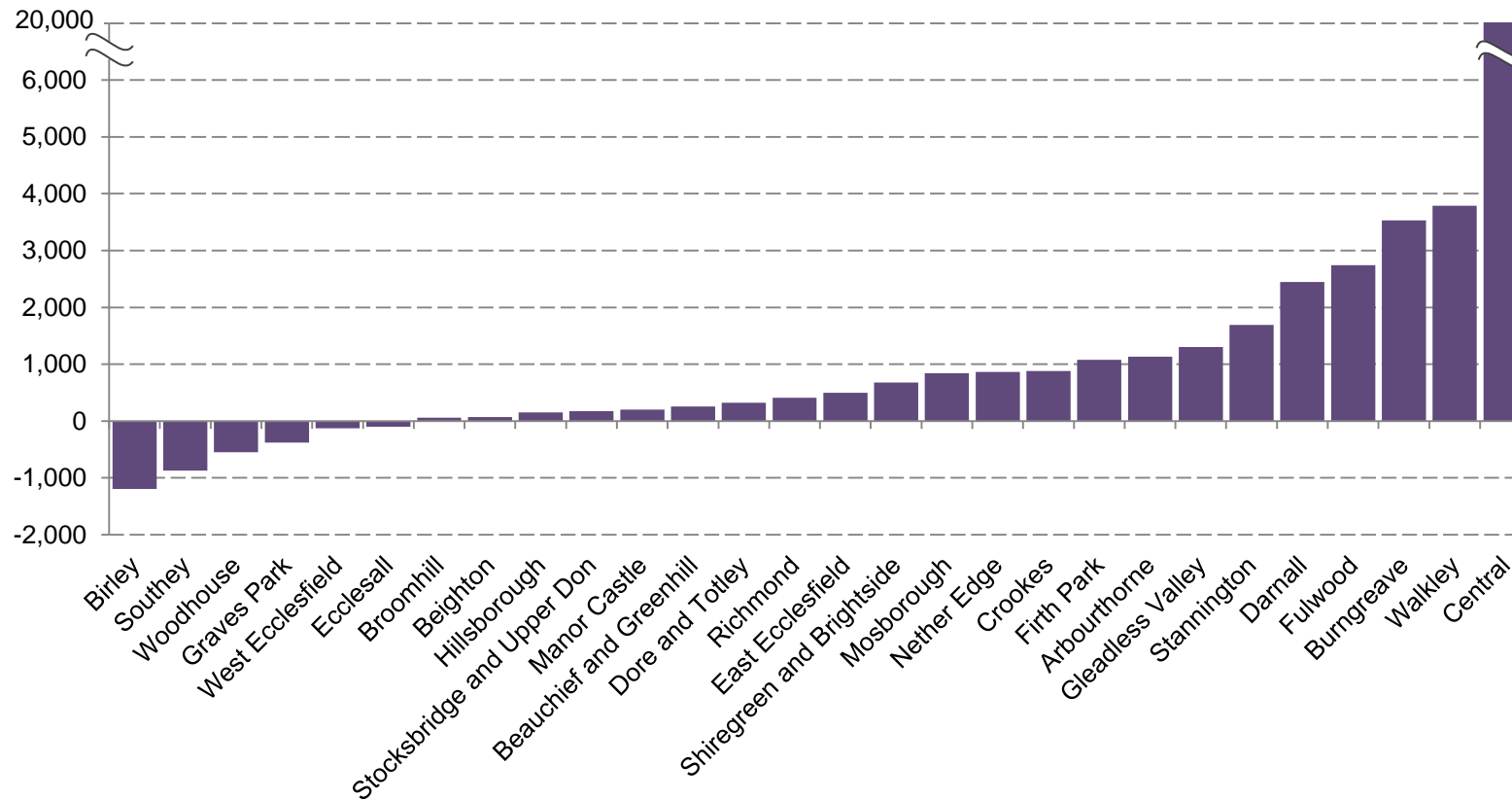


Figure 4: Population Change in Sheffield Wards 2001-2011¹³

As the city’s population has grown, so has the number of households in the city. Figure 5 (p. 12) shows that after 2003, the city’s households have increased to a current figure of 236,865, and are projected to rise to

271,801 by 2034¹⁴. This rise of 14.7% is higher than the overall rise in population as a result of more people living on their own in the city, as the population ages and a greater number of younger people migrate to Sheffield. These factors mean that the average

¹³ ONS, Sheffield City Council

¹⁴ DCLG 2012 Sub-national Household Projections

household size has got smaller and Government projections suggest this trend could continue.

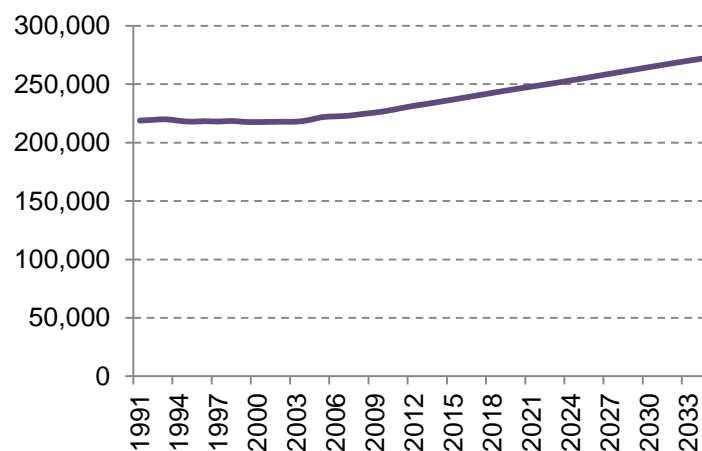


Figure 5: Number of households in Sheffield, actual and projected, 1991 to 2034¹⁵

These trends lead to a big challenge for the city – to build more housing in the right locations. This consultation sets out a number of options for where we might be able to build new housing (see Section 5.4).

The past 5 years have seen new housing built in the city, though this has been at a lower rate than the previous period until last year (see Figure 6). A range of factors, most notably, the past economic recession

have impacted on how many homes have been built. On average, Sheffield has built 1,674 new homes each year for the past 10 years but, in order to meet the needs of a growing population and to support economic growth, more housing needs to be built each year in Sheffield and, perhaps, in adjoining local authority areas.

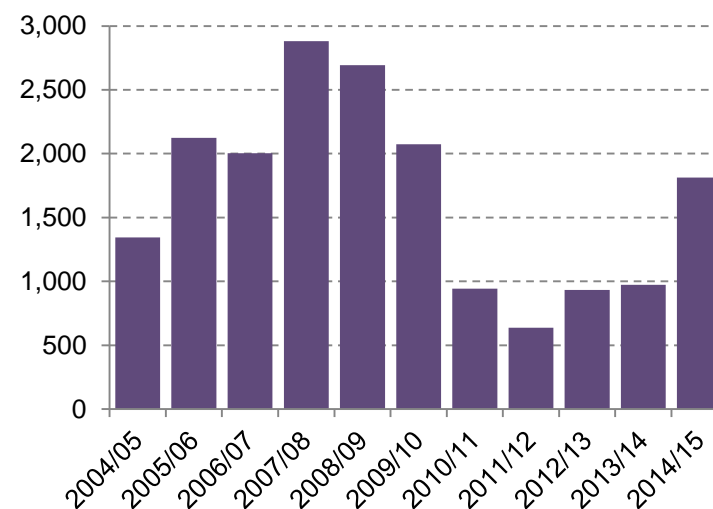


Figure 6: Total Housing Completions in Sheffield 2004/5 to 2014/15 (numbers of units)

¹⁵ DCLG Sub-national Household Projections, 2012



Opportunities from a growing population

Compared to many other countries, the UK's 'second tier'¹⁶ cities are smaller and, in redressing this imbalance, and an increase in population and jobs in cities such as Sheffield would help meet national needs for economic growth. In addition, whilst the ageing population of Sheffield presents some challenges in terms of delivering specialist housing and services, it also presents opportunities in terms of a more active older population who can play a major role in society¹⁷.

2.4 Tackling Climate Change, Managing Energy and Resources

Evidence suggests that Sheffield's climate is changing more rapidly than at any time in the past 125 years¹⁸. Projections suggest that by 2050:

- Average temperatures could rise by 1.9 degrees Celsius.
- On average there will be five and a half more days per year when temperatures rise above 28 degrees Celsius.
- Summer rainfall will decrease by 25%.

¹⁶ Second tier cities are those smaller cities that are not major 'global megacities' (such as London, New York and Shanghai), but fall into a smaller group of cities. See State of Sheffield Report, 2015.

¹⁷ See 'Sheffield: A City for All Ages', 2012

¹⁸ Sheffield Local Climate Impacts Profile, 2009

- Winter rainfall will increase by 14%¹⁹.

If these projections are correct, the changing climate will have a significant impact on the city, with key problems likely to be damage to buildings and infrastructure, buildings overheating, maintaining water supply, and health impacts on vulnerable groups. Increased rainfall is likely to affect Sheffield significantly as it is a hilly city which means that surface water runs off and gathers in valley bottoms more quickly. It also has a legacy of development in flood risk areas and post-industrial buildings which are more likely to be damaged by severe weather.

More broadly, global trends indicate that energy prices will rise over the period to 2034, leading to issues of continuing fuel poverty²⁰, and increased transport costs. Other resources, such as public open space, are critical to a good quality of life, and pressures to maintain them against a backdrop of continued austerity will be a key challenge.

¹⁹ All figures, Yorkshire Futures, 2009, Weathering the Storm: the Yorkshire and Humber Regional Adaptation Strategy

²⁰ See Sheffield Fairness Commission Report, 2014



Opportunities for Sheffield as a Green City

- Sheffield can be a forerunner in tackling climate change, through taking actions such as creating and maintaining Green Infrastructure²¹, and ensuring new development is environmentally sustainable.
- The city can promote job creation in low carbon technologies, a sector identified as crucial to increasing GVA in the Sheffield City Region²².

2.5 Promoting Health and Wellbeing

The quality of our neighbourhoods and environments, and the opportunities afforded by them, has significant impacts on our health. Air pollution, poor quality housing, and lack of open space and sports facilities can all hinder people's ability to live a healthy lifestyle. Conversely, neighbourhoods with good housing, sufficient green space and other community facilities can all help people to increase and maintain their health and wellbeing.

- The statistics on health in the city reveal an average life expectancy for men of 78.1 years and

²¹ National Planning Policy Guidance defines Green Infrastructure as 'a network of multi-functional green space, urban and rural, which is capable of delivering a wide range of environmental and quality of life benefits for local communities. Green infrastructure includes parks, open spaces, playing fields, woodlands, street trees, allotments and private gardens.'

²² Sheffield City Region Strategic Economic Plan, 2014-24

for women of 81.8 years²³, which is less than the national average.

- Projections show that the number of people with dementia and obesity is set to rise.
- If shifts do not happen in how we travel around the city, air pollution may increase, especially in the main transport corridors such as the Lower Don Valley, which are projected to be more heavily congested unless infrastructure improvements are made²⁴.

Opportunities for Sheffield as a Healthy City

Sheffield has a number of opportunities for promoting health, with the potential for the city's population to become increasingly active:

- 'Outdoor' activities are popular in the city, with excellent facilities for climbing, mountain biking, walking, and running. Participation rates for all major outdoor leisure activities are higher than the national average²⁵, and the City Council is developing plans to enhance the facilities and reputation of the city for outdoor sports²⁶.

²³ Sheffield Joint Strategic Needs Assessment, 2013

²⁴ Sheffield City Region FLUTE Model Outputs, 2014-2024

²⁵ Sheffield Hallam University, 2014 Valuing the contribution of the outdoor economy in Sheffield report

²⁶ See [Sheffield: The Outdoor City](#)



- The city is long recognised as one of the ‘greenest’ in the UK, with over 2 million trees and a range of high quality open spaces, providing opportunities to develop active lifestyles.
- Developing the cycling infrastructure in the city would help to reduce congestion, and bring Sheffield’s rate of commuter cycling up to the Council’s target of 10% of journeys by 2025, yielding health improvements in the working population.
- Encouraging low emission vehicles and public transport that will reduce air pollution across the city and particularly in the City Centre and Lower Don Valley.

2.6 Connecting the City Through Better Transport and Digital Networks

As the city’s economy grows, a significant issue will be managing the increase in journeys from home to work. The nature of economic growth will affect commuting; if the city attracts higher skilled jobs, commuting from outside the city is likely to increase, unless there is a rise in the number of residents with these skills. Aside from transport, the city will also need to develop its digital connectivity in order to support economic growth ambitions.

- On average, Sheffield receives 63,000 commuters every day, the highest number in the City Region²⁷.
- Sheffield has the lowest proportion in the City Region of residents who work elsewhere at 18%²⁸.
- The car continues to dominate commuting patterns in Sheffield, accounting for at least one third of all journeys, with bus travel the next most common form of commuting at 8%²⁹.
- Journey times in Sheffield in rush hour are comparable with other major urban areas (except London)³⁰. If either shifts in transport away from the car, or infrastructure improvements, are not made, projections show that by 2024 many key routes into the city will be heavily congested. For example, the A6178 through the Lower Don Valley is projected to see a 154% increase in delays from 2014 to 2024³¹.
- Connections to other major cities are critical to the growth of the city and the surrounding region’s economy³². Whilst improvements in journey times to major cities, such as Leeds, have improved,

²⁷ Census, 2011

²⁸ Census, 2011

²⁹ Census, 2011

³⁰ Department for Transport 2015 Congestion and Reliability Statistics

³¹ Sheffield City Region, FLUTE Model Outputs, 2014-2024

³² Sheffield City Region Strategic Economic Plan, 2014



journey times to other cities have not decreased significantly in the past decade.

- Whilst fast broadband connectivity is broadly available in the urban area of Sheffield, connectivity is not as developed in the rural areas. 84.9% of the over-16 population in Sheffield have used the internet at some point in their lives, compared to 87.2% of the wider UK population. In addition, connectivity is lower amongst more deprived households. National figures show that whereas 99% of people with over £500 per week income have ever used the internet, this falls to 94.8% of those with incomes less than £200 per week³³.

A key challenge will be how we connect new areas of housing to the city and to the places we work by sustainable forms of transport that are cost effective and quick, and how we accommodate an increasing number of journeys in a safe and sustainable way.

Opportunities for a more connected city

Despite the challenges presented above, a number of opportunities can be identified that will enhance the city's connectivity and sustainability, including:

- Developing new and faster connections between the City Centres of Sheffield, Leeds and Manchester, by both road and rail, including a High Speed 2 railway station in Sheffield.

³³ ONS, Internet Access Quarterly Update, Q1 2014

- An enhanced public transport network for the City Region with high quality vehicles and more frequent services on core routes.
- Considering more innovative ways of managing the highway network, for example providing dedicated routes for journeys by public transport, walking, cycling and motor vehicle to reduce delays.
- Park and Ride on the periphery of the city, providing faster journey options by switching from cars at key gateway locations.
- A new tram-train connection between Sheffield and Rotherham.
- Extending the tram network. We think priorities should include routes to serve the city's hospitals as well as serving potential housing growth areas and employment areas.
- Initiatives such as integrated ticketing and e-ticketing for public transport, which are supported in the Northern Transport Strategy³⁴.
- Building on work to develop the city's cycling facilities, including a new bike hire scheme, bike hubs in the City Centre and a new citywide cycle network.

³⁴ Northern Transport Strategy, 2015



- Continued investment in Key Bus Routes to improve journey reliability, through the Sheffield Bus Partnership, which has a target to increase overall patronage by 2% per year.
- Investment through the South Yorkshire Superfast Broadband Project to increase high speed internet access to 95% of the region by 2017.
- Sheffield 'Smart City' initiatives, especially the Sheffield Smart Lab³⁵ that will seek innovation in delivering better services to residents and businesses.

2.7 Responding to our Changing City and Retail Patterns

The ways we shop are changing rapidly. We are now shopping more frequently online, with approximately 15% (by value) of all shopping done online in 2015³⁶, and this has implications for the type of physical stores we require. City Centres are now more heavily promoted as destinations with a range of shopping and leisure activities, and our patterns of using supermarkets are changing. This is coupled with more residents now living in city centres and changing office

markets that address the needs of a knowledge economy³⁷.

Sheffield has a smaller retail centre than comparable cities, partly due to Meadowhall acting as a major destination for shopping in the City Region. Efforts to bring in new shopping and leisure development to Sheffield City Centre are being renewed, with the launch of the Sheffield Retail Quarter, and major new investments in The Moor. All these trends raise a series of challenges for how the Sheffield Plan shapes change and supports our City Centre and district/local centres across Sheffield:

- How to integrate new retail development with a wider³⁷ range of uses in the City Centre.
- How to balance leisure uses, and particularly the night time economy, with a growing residential use of the City Centre.
- How to balance demand for out-of-town shopping with the need to regenerate city and district/local centres.
- How to support district and local centres in providing a range of shops and services that meet the needs of all groups in society.

Opportunities for better city and district/local centres

³⁵ See [Sheffield Smart Lab](#)

³⁶ Centre for Retail Research, 2015 Online Retailing Report

³⁷ NLP, 2015 Workspace Futures: The Changing Dynamics of Office Locations



There are a number of opportunities for the City Centre and retailing more widely across the urban area:

- The Sheffield Retail Quarter in the City Centre is planned to create a more consolidated core retail area, with modern quality retail space that attracts higher quality retailers to match Sheffield's regional role. This should facilitate more visitor visits to Sheffield, increasing the amount of money spent locally.
- Opportunities for more independent retailers especially those serving specific markets, may become more important, with scope for development in district centres which are relatively close to the City Centre.

2.8 Making Sheffield a Fairer Place

As the Sheffield Fairness Commission notes 'Sheffield is not a city in which everybody has the same chances in life...there are deep and persistent inequalities between different communities and groups'³⁸. In particular, these inequalities are spatial in nature – some neighbourhoods in the city are very wealthy by national standards, whilst others are some of the most deprived in the country. Whilst the overall level of poverty and deprivation in the city is not at the scale of some major cities, the differences between neighbourhoods can be stark, particularly between the

³⁸ Sheffield Fairness Commission, 2013 Fairness Commission Main Report

east and west of Sheffield. Such inequality can hold back the economic growth of the city and the viability of district and local centres, as well as diminishing life chances for many citizens.

Opportunities to make Sheffield a fairer city

Despite the challenges of inequality in the city, there are a number of opportunities for Sheffield to tackle these issues in the short to medium term:

- Sheffield's Fairness Commission and the commitment from City partners to address inequality in the city provides the basis for tackling these issues, and sets a framework in which the Sheffield Plan can help to direct growth in ways that meet the needs of all in the city.
- An understanding that an equal city will provide the basis for a stronger, more sustainable city, which is better able to meet future challenges is framed in a range of strategies³⁹.
- A long experience of regeneration in many parts of the city that has significantly improved their fortunes, and which may further reduce inequality between areas, including through schemes by the Sheffield Housing Company and plans to build new council housing in the city.

³⁹ Sheffield Corporate Plan, 2015-18; Sheffield Fairness Commission, 2013 Fairness Commission Main Report



- New house building provides an opportunity to improve the range of housing available and can help to ensure that homes are provided for people on low incomes and those with specific housing needs.

Consultation questions

Q2: (a) Have we identified the right challenges for Sheffield between now and 2034?

(b) If not, what other challenges does the Sheffield Plan need to address?

Q3: (a) Have we identified the right opportunities for Sheffield between now and 2034?

(b) If not, what other opportunities could the Sheffield Plan support?

