

Executive

14 July 2016

Report of the Director of City and Environmental Services

Portfolio of the Executive Member for Finance and Performance and
Executive Member for Economic Development & Community Engagement

York Central

Summary

1. York Central is a 72 hectare (ha) area of land adjacent to the railway station and is one of the largest brownfield sites in northern England. It provides a huge opportunity for regeneration providing new homes and up to 100,000 sq m of Grade A commercial office space, offering the best chance to address the key problem in York's economy – relatively low wage levels, given the high level of skills in the city. The site is also a major housing site, delivering 1,500 dwellings as part of the Local Plan – Preferred Sites Consultation agreed by the Executive on June 30th.
2. Public consultation to inform the development of a formal Planning Framework Supplementary Planning Document (SPD) to guide regeneration of the York Central site took place earlier this year. A York Central Community Forum is being established to engage with and represent the views of the local community as the site progresses. Work to inform the emerging York Central planning policy and ensure a development scheme can be delivered, including land assembly, funding arrangements and putting partnership arrangements in place, is ongoing.
3. This report feeds back on the outcome of the informal consultation which showed clear overall support for the redevelopment of York Central. The report outlines the proposed approach to the Planning Framework; sets out the proposed composition of the York Central Community Forum; provides an update on progress with the project and seeks agreement to enter into a Local Growth Fund deal from Leeds City Region Local Enterprise Partnership in order to proceed with site assembly and preparation.

Recommendations

4. Executive is asked to agree:

- i. To note the responses to the informal consultation on 'Seeking your views to guide development.

Reason:- To ensure issues raised from the consultation are taken account of in developing the Planning Framework SPD.

- ii. To note the approach to establish a York Central Community Forum as an integral part of the consultation process for the site.

Reason:- To ensure the views of the local community are represented as the site progresses.

- iii. To note progress over the past six months to inform the emerging York Central planning policy and deliver the York Central site.

Reason:- To ensure that a development scheme for the York Central site can be delivered.

- iv. To agree in principal to the agreement of a loan of £2.55m from Leeds City Region (LCR) Local Growth Fund as an element of the funding proposals for York Central

- v. To delegate to the Director of Customer and Business Support Services in liaison with the Leader to agree the terms for a Funding Agreement with Leeds City Region (LCR) Local Enterprise Partnership (LEP).

- vi. To agree a further draw down from the £10m allocation of £0.55m in order to fund the immediate site preparation works outlined in the report.

Reason:- To enable timely progress on the York Central project.

Background

5. A draft York Central Planning Policy was agreed by Members of Executive in December 2015. This outlined the proposed quantum of housing and employment to be delivered during the Local Plan period, the proposed mix of uses, and principles of development at York Central. The emerging policy has been used to inform the allocation of York Central in developing the Local Plan.

6. A draft Planning Framework Supplementary Planning Document (SPD) is being prepared to guide the future comprehensive development of the

York Central site. A first stage of informal consultation on high level principles was undertaken over a four week period in January and February this year. The purpose of the consultation was to identify the potential for redevelopment of the York Central site and to enable the public to express their views and ideas to inform the preparation of the formal SPD. Consultation was undertaken in accordance with the consultation plan agreed by Members of the Executive on 15 December 2015. A number of additional bespoke consultation events were also held, including a further Holgate ward committee meeting on 11 February 2016. The consultation was designed to comply with York's adopted Statement of Community Involvement.

7. The consultation also proposed that a Community Forum could form an integral part of the consultation process for the site. Respondents were invited to express an interest in being kept informed about the project and being involved with the Community Forum.
8. The Homes and Communities Agency (HCA) are closely involved with the York Central development. The designation of York Central as a Housing Zone has enabled the HCA to provide an enabling role for the project in terms of potential equity investment funding and project revenue support. The HCA Advisory Team for Large Applications (ATLAS) is providing advisory and support services to the York Central partners to progress delivery of York Central.
9. The award of Enterprise Zone (EZ) status for York Central in November 2015 provides a crucial mechanism through future retained business rates to fund the upfront infrastructure and enabling works needed to unlock and accelerate delivery of development.
10. City of York Council are leading the land assembly strategy for York Central to acquire third party land holdings needed to develop the site through agreement or use of the council's statutory powers of compulsory purchase ('Compulsory Purchase Order' or 'CPO').
11. York Central partners will need ultimately to enter into a detailed, legally binding agreement to jointly deliver the project. A funding strategy to deliver upfront infrastructure to facilitate development of the York Central site and setting out a repayment mechanism for any investment will be integral to any agreement. The York Central Partners are appointing specialist professional financial and commercial advisors to look at the most appropriate delivery vehicle options for a formal partnership and help to craft the detailed partnership arrangements.
12. The York Central Partners are appointing professional design and technical advisors to progress the plans for the site. This work will

include developing the Planning Framework for York Central and carrying out work need to inform preparation of the document and emerging Local Plan policy.

Consultation

Consultation structure and response

13. A total of thirty one questions were asked relating to the consultation document 'Seeking your views to guide development'. Fourteen direct questions were asked specific to the proposed redevelopment of the site, vision, objectives, and key principles relating to heritage, landscape and public realm, including the creation of new public squares, development parameters, sustainable travel (including pedestrian and cycle routes), proposed re-routing of Leeman Road and proposed temporary uses. A further three direct questions presented options for re-organising Queen Street, managing the highway on the west side (the rear) of the Railway Station, and different split of uses (jobs and housing) for the site. Respondents were encouraged to comment on the direct questions and give general views and comments about the proposed development at York Central.
14. A total of 1224 consultation responses were received including 1,054 online and paper questionnaires and 170 written responses including emails and letters. A consultation report has been prepared by consultants, ARUP. The report outlines the consultation undertaken and representations received, summarises the consultation comments, including responses to the survey questions, and highlights overarching themes raised during the consultation process. The analysis of consultation responses has taken account of the policy requirements for consultation set at a national and local level. A copy of the detailed consultation report can be viewed online https://www.york.gov.uk/downloads/file/11126/york_central_seeking_your_views_to_guide_new_development_consultation_report

Overview of consultation findings

15. A high level summary of consultation responses is outlined below. More detailed analysis is provided at Annex 1.

Support for Redevelopment, Vision and Objectives

16. There is clear overall support for the redevelopment, vision and objectives for York Central (*Questions 1, 2, 3 and 4*): 79% of respondents supported redevelopment of the site (13% did not support) and 59% of respondents supported the vision for the site (24% did not support). The objective 'Heritage as an Asset' had the strongest

agreement (91% agree; 3% disagree), followed by 'Green Infrastructure' (84% agree; 6% disagree) and 'Sustainable Development' (81% agree; 7% disagree).

17. Respondents noted the importance of realising the scheme quickly and targeting brownfield land for development, however, some respondents were concerned about the deliverability of the site. Comments were made regarding the need to strengthen the vision particularly in relation to sustainability. Respondents also commented on the need to strengthen the objectives and make them measurable, particularly in relation to the green infrastructure objective and sustainability. Some respondents suggested that a new 'design' objective should be created to include 'quality public space/green space/streetscape design'.

Overarching themes

18. A number of overarching themes were raised during the consultation process. These included:
 - i. **Call for the retention of the York Railway Institute** (*Questions 5, 6, 7, 23 and 31*). A large number of respondents stressed the importance of the role played by York Railway Institute in the community, the importance of retaining the facility for sport and leisure activities and the opportunities these provide for residents, visitors and people working in the York Central area. This was a common theme throughout the consultation feedback. Respondents commented that if the site is to be redeveloped, equivalent facilities will need to be provided in a central location which is easily accessible without a car.
 - ii. **Support for green infrastructure** (*Questions 8 and 9*). There is wide support for providing green infrastructure across the site. Respondents specifically supported the proposal to create a linear park and made suggestions about increasing the amount of green infrastructure and the type of green infrastructure that should be provided.
 - iii. **Support for creation of a new public square on the west side (the rear) of the station** (*Question 10*). There was wide support to create a new public square on the west side of the station.
 - iv. **Call for reorganisation of the station frontage to reduce conflicts** (*Questions 11, 12 and 13*). The creation of a new public square on the east side (the front) of the station by reorganising buses and taxis was widely supported. The issue of conflict between different modes of transport was raised and comments made that pedestrian legibility,

safety and accessibility needs to be improved as the current arrangement makes it difficult to navigate. A small majority of respondents supported the removal of Queen Street Bridge. Some respondents noted that the removal of the bridge could be an important step in reordering the highway network to allow for the reorganisation of the station frontage.

- v. **Support for the expansion of the National Railway Museum (NRM), but careful treatment of Leeman Road required** (*Questions 14, 15, 16, 20 and 21*). There is strong support for the expansion of the NRM, including the creation of a new public square and events space outside the NRM. There was general acceptance that this can best be facilitated by closure of a section of Leeman Road (59% supported re-routing Leeman Road). However, of the four highway management options presented for Leeman Road, Option 1, which proposed keeping Leeman Road open to all traffic (but would constrain delivery of the NRM expansion) was marginally the most popular option (38% agreed). There was no clear support for any of the options. The contradictions in response to Questions on Leeman Road suggest that greater clarity is needed as to how future options would work.
- vi. **Call for high quality pedestrian and cycle infrastructure** (*Questions 13, 17, 18 and 19*). Responses suggested that the provision of high quality pedestrian and cycling infrastructure as part of the proposals was essential and that consideration should be given to provision separate from highway infrastructure.
- vii. **Concern regarding access and traffic congestion** (*Questions 4, 13, 21, 27 and 31*). A common theme running throughout the responses to all questions was the increase in traffic congestion, including associated air quality issues. Strong concerns were raised in particular by residents in Wilton Rise/Cleveland Street/St Paul's Square about the negative impact of the proposals on the Holgate area, and from residents in Garfield Terrace/ Livingston Terrace and Salisbury Road, and residents within the York Central site about the negative impact of proposals on the Leeman Road and Salisbury Road area. Concerns were also raised about the impact of any closure of Leeman Road on bus routes and existing businesses on Leeman Road.
- viii. **Concern regarding building heights** (*Questions 25 and 27*). Although the general approach to building heights was supported, a number of respondents were concerned about the potential impact of

tall buildings and high density development on the historic character of the city and key views.

- ix. **Proposed uses accepted but views on split of uses divided** (*Questions 22, 23, 24, and 26*). There was overall support for the proposed uses, however, there was no conclusive view about the quantum of jobs or housing that should be provided on the site. A key issue to be considered is the integration and mix of uses needed to create vibrancy and quality of place. A number of respondents suggested that leisure uses should be supported on the site.
- x. **Support for residential uses and call for provision of affordable and family housing** (*Questions 22, 23, 24 and 26*). Across all questions, there was strong support for residential uses on the site. Respondents also commented on the need to provide housing to meet a range of needs, including affordable housing units and housing for older people.
- xi. **Concern regarding the viability of offices at York Central** (*Questions 24 and 26*). A general theme raised across a number of consultation responses was concern over the demand for B1(a) office space and the viability of the proposed quantum of office space on the site.
- xii. **Support for Temporary Uses** (*Question 28, 29 and 30*). The proposed temporary uses on the site were supported. Some respondents suggested that leisure uses such as theatres or a temporary ice rink should be considered. Other respondents, however, suggested that they would not support late night noise generating uses such as music venues or festivals, or drinking establishments.

Proposed approach to Planning Framework

General support

- 19. There was general support for the following key principles. It is proposed that these will be taken forward in the Planning Framework. Further work will be carried out to inform the Planning Framework as required.
 - i. Redevelopment of York Central (*Question 1*)
 - ii. Vision (*Question 2*)
 - iii. Objectives (*Question 3*)
 - iv. Create a linear park at York Central (*Question 8*)

- v. Create a new public square on the west side (the rear) of the station (*Question 10*)
- vi. Create a new public square on the east side (the front) of the station by re-organising buses and taxis (*Question 11*)
- vii. Create a new public square and events space outside the National Railway Museum (*Question 14*)
- viii. Approach to sustainable travel (*Question 17*)
- ix. Proposed land uses (*Question 22*)
- x. Proposed temporary uses (*Question 28*)

Divided views

20. There was no clear majority support or clear conclusions to be drawn for the following key principles and options and/or the views of respondents were divided. Further work will be carried out to provide clarity and inform preparation of the Planning Framework.
- i. Proposed classification of buildings
 - ii. Options to retain or remove Queen Street Bridge (*Question 12*)
 - iii. Re-route Leeman Road to allow the expansion of the NRM (*Question 15*)
 - iv. Highway management options on the west side (the rear) of the station (*Question 20*)
 - v. Proposed approach to maximum building heights (*Question 25*)
 - vi. Development options (*Question 26*)

Other key issues

21. Other key issues were raised through the consultation process, including those listed below. Further work will be carried out to provide evidence base and inform preparation of the Planning Framework.
- i. Deliverability of the site.
 - ii. Retention of the York Railway Institute.
 - iii. Site access and traffic congestion.
 - iv. Demand for, and viability of, offices at York Central.

Planning Framework – next steps

Local Plan

22. York Central is identified as a Potential Strategic Housing Allocation (ST5) in the Local Plan – Preferred Sites 2016 which was approved for consultation by Members of the Executive on 30 June 2016. The proposed allocation is for residential development of up to 1,500 dwellings. When set against the need to allocate sufficient land in York

for around 8,277 dwellings for the plan period, the proposed allocation of 1,250 dwellings at York Central up to 2032 clearly has significant potential to help address housing needs in York.

23. The proposed increase in residential dwellings from 410 allocated in the Publication Draft Local Plan (2014) to the current potential allocation of 1,500 dwellings reflects the significant progress made by York Central partners since then to progress and de-risk the project to a stage where there is confidence that a greater proportion of the site is now capable of being brought forward for development within the plan period. Work to establish the most appropriate mix of housing type and density for the site is ongoing.
24. York Central has also been identified as a potential employment site with capacity for 80,000 sqm floor space of high quality grade A office accommodation (Use Class B1a). This will help to remedy current shortfalls in modern, fit for purpose commercial development in the City Centre. The Employment Land Review 2016 study, which is available as part of the Local Plan Preferred Sites 2016 consultation, brings together evidence on the demand for, and supply of employment land.

York Central SPD

25. The consultation findings have been reviewed by officers and the York Central partners. Further work is being carried out to explore the issues raised in consultation, provide an evidence base and inform the preparation of the Planning Framework SPD, with specialist consultants appointed as appropriate. This includes, for example, an ecological survey of the site, a city setting impact assessment and district heating study. Transport assessment and deliverability/financial appraisal work is ongoing. A sustainability appraisal of the draft SPD will also be carried out.
26. A document will be produced accompanying the Planning Framework SPD that will identify how issues raised during this consultation have been addressed in the Planning Framework.

Timescale to prepare SPD

27. Below is the anticipated timetable to prepare the York Central Planning Framework (SPD). This is subject to the appointment of the Design and Technical advisors.

Local Plan	York Central Planning Framework (SPD)	Anticipated Timeframe
	Members agree to set up YC Community Forum	May 2016
Executive agree Further Sites Selection		30 June 2016
	Establish YC Community Forum and appoint Independent Chair	Summer 2016
	Stage 1 consultation feedback to Executive	July 2016
Consultation on Further Sites Selection		July-August 2016
	Prepare Draft YC Planning Framework (SPD)	August-October 2016
	Inaugural meeting of YC Community Forum	September 2016
	YC Community Forum meetings to inform Draft YC Planning Framework (SPD)	Autumn 2016
	Executive agree Consultation Draft YC Planning Framework (SPD)	November 2016
Executive agree Publication Draft Local Plan		November 2016
Consultation on Publication Draft Local Plan		January - February 2017
	Stage 2 consultation on Draft YC Planning Framework (SPD)	January - February 2017
Submit Publication Draft Local Plan		Spring 2017
	Executive agree York Central Planning Framework (SPD)	Spring 2017

Community Forum

28. A York Central Community Forum is being established to engage with and provide an opportunity for the local community to express views and

opinions which will form one of many different aspects which will cumulatively help to shape the development. During the consultation 396 people signed up to the 'keep informed' email list, and 117 people expressed an interest in being involved in the proposed community forum. In addition, people were given another opportunity to express an interest in joining the forum at the Holgate Ward Committee meeting on 23 May 2016 and Micklegate Ward Committee meeting will have the same opportunity on 13 July 2016.

Role of Community Forum

29. Community Forums have been established for key sites across York to represent the views of the local community as a site progresses. It is intended that the forum's role will be to act in an advisory capacity, provide a sounding board for the development at key stages of the development process, and to provide feed back to local communities. This approach aids the community's understanding of the site as it evolves, and builds relationships between residents, community groups, ward members, officers and partners. The forum will not be a voting committee and will not have any decision making powers, but will be a minuted group to provide non-binding advice to the decision makers.

Composition of Community Forum

30. The York Central site spans Holgate and Micklegate wards, as well as having an impact upon neighbouring wards and the wider city. Whilst ward committees are the council's preferred method of consultation with residents, in this instance, therefore, it is considered that a single site specific Community Forum is considered the most appropriate way to deliver community engagement.
31. Previous Community Forums have had a maximum of 20 people including representatives and the development team to make the meeting manageable. However, York Central is more complex both geographically and in terms of delivery, and consequently the number of partners, neighbouring communities, stakeholders and interest groups are higher. It is proposed that membership of the York Central Community Forum comprises up to 32 representatives plus a City of York Council/York Central partners team of between 8-10 people, giving a maximum of 40 people attending which would allow meetings to be interactive/ workshop based. The forum will be facilitated by CYC/partners, with an independent chair.
32. The following table sets out the proposed composition of the forum which is weighted in favour of Holgate ward as the majority of the site is

in this ward. It is intended that there will be 2 ward members per ward with substitute arrangements for the remaining ward member. Ward member nominations will be reported to Staffing Matters and Urgency committee for ratification.

Draft membership - York Central Community Forum	
Independent Chair (1)	To be agreed by CES Director in liaison with partners and group leaders.
Holgate (up to 11)	2 Ward Members plus residents representatives to be agreed with Holgate Ward Councillors in liaison with CES Director.
Micklegate (up to 6)	2 Ward Members plus residents representatives to be agreed with Micklegate Ward Councillors in liaison with CES Director.
Wider city (10-15)	To be agreed by CES Director in liaison with partners and group leaders.
TOTAL = up to 32 community representatives	
CYC/ Partners (8-10) (Facilitators)	CYC Commercial Projects CYC Development Management Homes and Communities Agency National Railway Museum Network Rail Specialist advisors

33. The Forum will be supplemented by a range of community consultation mechanisms at key project stages to reach the wider community e.g. exhibitions, open days, mailings, ward meetings, website, newsletter, media. There will be additional consultation with residents of Wilton Rise/ Cleveland Street who may be specifically impacted by the access road. Following on from consultation on the emerging SPD, it is intended that the forum will continue to meet through the outline planning application and reserved matters stages of the development process.

Update on Progress

Site Assembly and Preparation

34. Negotiations with third parties to acquire land holdings as part of the strategic site assembly approach for York Central are continuing. The purchase of land off Leeman Road, which is owned by a private individual, is nearing completion. Negotiations with Unipart are currently focused on their possible relocation from land to the rear of the railway station to alternative sites within York.

35. There are immediate site costs and site preparation and assessment costs that are considered important to immediately undertake in order to inform the Planning Framework and these have been estimated at £550k.
36. It is requested that Executive agree a further draw down from the capital budget of £0.55m in order to fund the immediate site preparation.

Funding arrangements

37. A £2.55m capital bid has been made to the 2016/17 programme of the Leeds City Region LEP Local Growth Fund to support the overall delivery of the project. The bid comprises £2m to complement wider funding streams in land assembly, £0.35m to deal with early site costs, and £0.2m to undertake targeted site survey/assessment and design work. An Outline Business Case was approved by the LCR Investment Committee on 7th June and the Full Business Case will be considered by the committee on 6th July. The Full Business Case is expected to be approved by the Combined Authority Board in late July although a date has not yet been set for this meeting. Draft terms for a Funding Agreement are currently being prepared.
38. Executive are asked to accept in principal the £2.55m loan as an element of the developing York Central funding strategy and as part of the £10m already committed to the project. This is subject to agreement over appropriate repayment terms. Delegation is sought to the Director of Customer and Business Support Services, in liaison with the Leader, to agree the final terms of this deal with LCR LEP.
39. £10m has already been allocated as a contribution to the project and is already included in the council budget. The acceptance of this loan will mean that the LEP is sharing the financial investment and risk in the scheme in order to support the LCR Strategic Economic Plan. A further report will be brought to Executive and Full Council setting out a comprehensive investment strategy once the partnership deal has been crafted.
40. York Central Enterprise Zone is a key priority in both of the Local Enterprise Partnerships that cover York. As part of this, York, North Yorkshire and East Riding LEP are currently considering whether to include a bid for funding as part of the Government's growth deal round 3. York Central is in a strong position for funds but we do not expect

the confirmation of this funding until the Chancellor's Autumn Statement later this year.

Enterprise Zone

41. The Memorandum of Understanding for the York Central Enterprise Zone was officially signed on the 8th July 2016. This will be augmented in the autumn by the development of a delivery plan prior to the start of the Enterprise Zone in April 2017.

Professional Advisors

42. Following a formal procurement process, consultants KPMG (with Savills as the property advisors) have been appointed as the commercial and financial advisors to the partners. The commission is cliented by CYC. Over the coming months they will work with all partners to craft the basis for a York Central partnership arrangements leading to a formal partnership structure. CYC are providing the 'lead' client on behalf of, and in liaison with the York Central Partners and the advice that they give will be relied upon by all the partners. The contract will be novated to any future partnership structure.
43. A formal procurement process for Design and Technical advisers is currently being undertaken. This appointment will provide greater detail around a holistic design and the provision of essential site infrastructure and the design of public spaces. Advisors will provide both design and technical input to the SPD for York Central and ensure that the developing plans for the site integrate effectively into the city and establish the appropriate quality criteria which accords with the overarching vision for York Central. Importantly, the multi-disciplinary team will provide further evidence to support the Local Plan allocation of the site and inform the next draft of the Planning Framework, taking into consideration the consultation responses. This team will work closely with the York Central partners and KPMG/Savills as part of an iterative process.

Evidence Base

44. An ecological survey of the site is currently being undertaken in advance of the procurement of the Design and Technical advisor for seasonal reasons. The survey will provide further evidence base on site ecology. A review of historic geotechnical and contamination surveys was also recently undertaken, alongside scoping of next stages of assessment work to be undertaken as part of the design and technical advisors commission.

45. In response to the consultation, an access study has been commissioned to review access options to the site and inform and update the location of highway infrastructure and mitigation measures required to unlock the development capacity of the site. Further transport assessment will be carried out following procurement of the Design and Technical advisors.
46. A study exploring the feasibility and viability of District Heating Scheme to serve the site has been commissioned. This is partially funded and commissioned through Leeds City Region. The findings of the study will feed into wider design and technical workstreams.
47. The NRM has commissioned a Heritage Audit for their land and property assets within the York Central site. The intention is to supplement this work with a further report across the wider York Central site as part of the Design and Technical adviser appointment.

Station Regeneration Programme

48. In April 2016, Department of Communities and Local Government announced a national Station Regeneration Programme through an agreement between Network Rail and Homes and Communities Agency to work closely with Local Authorities. The intention is to accelerate housing delivery and boost economic growth to regenerate town and city centres. York is one of three areas that have spearheaded this initiative with proposals for York Central.

Consultation

49. The future of York Central will be of interest and importance to a large proportion of York's residents and businesses and will also be a significant project regionally and nationally. Consultation will play an essential part in the future development of the site, *starting with the informal consultation proposed in paras 41-42.*

Council Plan

50. Under the Council Plan objectives the project will assist in the creation of a Prosperous City for All, and be a Council that listens to residents particularly by ensuring that :
 - i. Everyone who lives in the city can enjoy its unique heritage and range of activities.
 - ii. Residents can access affordable homes while the greenbelt and unique character of the city is protected.

- iii. Visitors, businesses and residents are impressed with the quality of our city.
- iv. Local businesses can thrive.
- v. Efficient and affordable transport links enable residents and businesses to access key services and opportunities.
- vi. Environmental Sustainability underpins everything we do.
- vii. We are entrepreneurial, by making the most of commercial activities.
- viii. Engage with our communities, listening to their views and taking them into account.

Implications

Financial –

51. In December 2013 Members agreed to earmark £10m towards the delivery of York Central. Of this sum, £500k was released at that time to support technical work. In December 2015 Executive agreed to release a further £250k to fund the costs of professional advisors to the project. Executive also agreed to allocate part of the capital sum to fund the acquisition of third party land off Leeman Rd – this acquisition is nearing completion (and therefore the sum is still confidential).
52. The following table shows the current agreed funding available including grants from other sources.

	Funding Source				
	CYC	OPE	HCA	NRM	Total
<u>Original Funding</u>	£'000	£'000	£'000	£'000	£'000
Capital	9,000				9,000
Revenue	1,000	250	365	20	1,635
Total	10,000	250	365	20	10,635
<u>2015/16 - Expenditure</u>					
Capital					
Revenue	(64)	(48)			(112)
Total	(64)	(48)			(112)
<u>Funding Remaining</u>					
Capital	9,000				9,000
Revenue	936	202	365	20	1,523
Total	9,936	202	365	20	10,523

53. The committed costs for 2016/17 include the costs of the internal project team c £250k per annum, the cost of professional advisors (up to £250k)

site preparation costs (£550k) detailed in paragraph [35] as well as the land purchase costs (commercially confidential).

54. The table below shows the agreed allocations from the Council's initial £10m funding.

	Capital £'000	Revenue £'000	Total £'000
Original Funding (Dec 13)	9,000	1,000	10,000
Initial allocation (Dec 13)		-500	-500
Project Team Costs (Dec 15)		-250	-250
Land Purchase (Dec 15)	*		*
Site Preparation Costs	-550		-550
Current unallocated Balance	8,450	250	8,700

*The current balance excludes the commercial in confidence land purchase value (delegated to the Leader to agree the final purchase price). This will be included in future reports to Executive / Full Council.

55. **Human Resources (HR)** – none
56. **Equalities** – A Community Impact Assessment was undertaken as part of the consultation and was published in December 2015 with the Executive report.
57. **Legal** – There are no significant legal implications at this stage.
58. **Information Technology (IT)** - There are no IT implications.
59. **Crime and Disorder** - The detail design of any future scheme will require detail consideration of crime and disorder implications and there will be structured input from the Police Architectural Liaison. officer
60. **Property** – All property implications are covered in the report.

Risk Management

61. The primary risk is the potential breakdown of the delivery partnership between the partners with a consequent failure to unlock the site. This has in part being mitigated by the establishment of a senior level Board and formalised via a Memorandum of Understanding with development of the site delivered under the terms of a proposed partnership agreement.
62. Failure to obtain the necessary regulatory approvals to dispose of land on the site for development or to clear operational railway uses from the site is another significant risk – this would prevent the development of

the site in whole or part. Mitigation plans to date include the acquisition and extinguishment of long-term rail industry leases on the site by Network Rail and development of a strategy that identifies relocation sites for the rail uses. In addition, a rail land use strategy for York is being taken forward and it is believed this meets operator needs and Network Rail's planned capacity improvement schemes. This issue is being mitigated by Network Rail prior to any infrastructure investment with a clear commitment under the proposed partnership agreement to remove rail uses from the site within a phasing plan to suit site development.

63. An obvious risk is of failure to secure planning permission – this is being mitigated by early involvement with CYC as local planning authority in the ongoing development plans and engagement of stakeholders and local communities at both concept stage and as detailed plans emerge.
64. There is a risk that the scheme may not attract development market interest or new occupiers. This risk has been mitigated by the proposed approach to infrastructure delivery, evidence from Make it York re new business interest in York suppressed by lack of sites and comprehensive soft market testing. In addition, the development of a delivery and marketing strategy and the award of EZ status will incentivise early business occupation.
65. There is a risk that CYC may not secure equity investment towards some of the costs of the enabling infrastructure. However, this will be mitigated by the EZ status and access to borrowing this brings. It will also be mitigated by early sign off of funding from HCA and comprehensive gateway process for release of West Yorkshire Transport Funds (WYTF). The risk of WYTF withdrawing offer of funding as the devolution agenda develops remains and alternative plans for funding core transport infrastructure would need to be worked up with York North Yorkshire East Riding LEP should this eventuality occur.
66. There is a risk that partners will not secure third party land holdings on the site. This will be mitigated by negotiation with land owners and potential initiation of CPO process to assemble the whole site prior to commencement of the regeneration.
67. A full risk register will be developed by the project and will be regularly reviewed by the project board as the project progresses.

Contact Details

Author:

Tracey Carter - Assistant Director
for Finance, Property and
Procurement *Tel No. 553419*

Catherine Birks
York Central Project Manager
Tel 552168

Sue Houghton
Programme Manager
Tel No. 551375

Chief Officer Responsible for the report:

Neil Ferris – Director of City and
Environmental Services

Report Approved



4 July 2016

Specialist Implications Officer(s) *List information for all*
Financial – Patrick Looker *Legal – Andy Docherty*
Finance Manager *Deputy Head of Legal*
Tel No. 551633 *Tel No. 551004*

Wards Affected: Holgate, Guildhall

All

For further information please contact the author of the report

Background Papers:

York Central: Report to Executive (15 December 2015)
City of York Local Plan – Preferred Sites Consultation: Report to Executive
(30 June 2016)

York Central Consultation Document – “Seeking your views to guide
development” (January 2016)

[https://www.york.gov.uk/downloads/file/8798/york_central -
_seeking_your_views_to_guide_development](https://www.york.gov.uk/downloads/file/8798/york_central_-_seeking_your_views_to_guide_development)

York Central Questionnaire

[https://www.york.gov.uk/downloads/file/8801/york_central - questionnaire](https://www.york.gov.uk/downloads/file/8801/york_central_-_questionnaire)

Annexes

Annex 1 - Summary Analysis of Consultation Responses

Annex 2 - Seeking Your Views to Guide Development: Consultation Report
(Arup June 2016) **available to download from attached link**

[https://www.york.gov.uk/downloads/file/11126/york_central_seeking_your_v
iews_to_guide_new_development_consultation_report](https://www.york.gov.uk/downloads/file/11126/york_central_seeking_your_views_to_guide_new_development_consultation_report)

List of Abbreviations

ATLAS - Advisory Team for Large Applications

CPO – Compulsory Purchase Order

CYC - City of York Council

EZ – Enterprise Zone

HCA - Homes and Communities Agency

LCR - Leeds City Region

LEP - Local Economic Partnership

NRM - National Railway Museum

SPD - Supplementary Planning Document

WYTF – West Yorkshire Transport Fund

YNY - York and North Yorkshire

YC - York Central