



## Notice of a public meeting of

### Local Plan Working Group

- To:** Councillors Ayre (Chair), Steward (Vice-Chair),  
N Barnes, D'Agorne, Levene, Lisle, Mercer, Orrell,  
Rawlings, Reid, Shepherd, Warters and Williams
- Date:** Monday, 30 November 2015
- Time:** 5.30 pm
- Venue:** The George Hudson Board Room - 1st Floor West  
Offices (F045)

### AGENDA

#### 1. Declarations of Interest

At this point in the meeting, Members are asked to declare:

- any personal interests not included on the Register of Interests
- any prejudicial interests or
- any disclosable pecuniary interests

which they may have in respect of business on this agenda.

**2. Minutes (Pages 1 - 8)**

To approve and sign the minutes of the meeting of the Local Plan Working Group held on 19<sup>th</sup> October 2015.

**3. Public Participation**

At this point in the meeting, members of the public who have registered their wish to speak, regarding an item on the agenda or an issue within the remit of the Working Group, may do so. The deadline for registering is **5.00 pm on Friday 27<sup>th</sup> November 2015.**

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**4. York Central Local Plan Policy Approach (Pages 9 - 30)**

This report has been prepared to inform and seek views from Members of the Local Plan Working Group in respect of work to date on the development of a York Central local plan policy, to inform overall approach to site allocation.

**5. Any other business which the Chair considers urgent under the Local Government Act 1972.**

Democracy Officer:

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For more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting:

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports and
- For receiving reports in other formats

Contact details are set out above.

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我們也用您們的語言提供這個信息 (Cantonese)

এই তথ্য আপনার নিজের ভাষায় দেয়া যেতে পারে। (Bengali)

Ta informacja może być dostarczona w twoim własnym języku. (Polish)

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

یہ معلومات آپ کی اپنی زبان (بولی) میں بھی میا کی جاسکتی ہیں۔ (Urdu)

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City Of York Council

Committee Minutes

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Meeting	Local Plan Working Group
Date	19 October 2015
Present	Councillors Ayre (Chair), N Barnes, S Barnes (Substitute), Carr (Substitute), Cullwick (Substitute), D'Agorne, Levene, Lisle, Mercer, Orrell, Steward (Vice-Chair), Warters and Williams
Apologies	Councillors Rawlings, Reid and Shepherd

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## 6. **Declarations of Interest**

At this point in the meeting, Members were asked to declare any personal, prejudicial or any disclosable pecuniary interests they may have in the business on the agenda.

Councillor Warters declared a personal and prejudicial interest in agenda item 5 as he held shares in the North Yorkshire Moors Potash Mine (Sirius Minerals) and having taken advice from the Monitoring Officer, felt he should withdraw from that item.

Councillors Steward and Mercer declared a personal interest in Agenda Item 5 as they also held shares in Sirius Minerals.

Councillor Cullwick also declared a personal interest in Agenda Item 5 as his wife held shares in Sirius Minerals.

Councillor D'Agorne declared a personal interest in Agenda Item 5 as he had attended Frack Free meetings in his capacity as a Councillor with local residents.

## 7. **Minutes**

Resolved: That the minutes of the last meeting held on 29<sup>th</sup> September 2015 be approved and signed by the Chair as a correct record.

## **8. Public Participation**

It was reported that there had been no registrations to speak under the Council's Public Participation Scheme.

There had been one registration to speak on Agenda Item 5, Minerals and Waste Joint Plan – Preferred Options.

Colin Valentine spoke on behalf of Rufforth Parish Council to register an objection to the proposal to "safeguard" Harewood Whin in the Mineral & Waste Joint Plan. He referred to the recent Planning Application by Yorwaste for an integrated facility for a Landfill, Waste Transfer Station & 3 Recycling Buildings at Harewood Whin. This had subsequently been withdrawn but Yorwaste were still hoping to open a waste transfer site at Harewood Whin. He suggested that a suitable site for this would be on the direct route to new Allerton Park facility i.e. somewhere along the A59 which would produce a saving of around 20% on Carbon Footprint, due to a reduction in travel for the Trucks, staff, and fuel on every journey for the next 20 plus years. He also raised concerns about the possibility of ash from incinerators being processed at Harewood Whin and the impact of extra heavy vehicles on the B1224. He also reminded Members of the conditions attached to the original planning application requiring the site to be restored to agriculture once the landfill ceased.

## **9. Protecting Public Houses**

Members considered a report which provided a response to the motion passed by Full Council on 11<sup>th</sup> December 2014 in relation to protecting public houses. The purpose of the report was to provide Members with background information in relation to the options available to the council to potentially afford greater protection to public houses including Article 4 Directions and the Assets of Community Value register.

Officers presented the report and advised that it outlined the technical approaches for affording greater protection to public houses against the resource implications. Members' attention was drawn to the recommendation which suggested that Members chose Option 3 and no further work be undertaken. Officers had made this recommendation because based on the information available to them, it was considered that there was

not an immediate threat to the loss of public houses from change of use. A case by case approach through either the Assets of Community Value register or immediate Article 4 Directions was felt to be the best approach.

Members queried whether there had been any change of use applications from pub to residential refused. Officers advised that to their knowledge none had been refused, but confirmed that officers are able to protect pubs in these cases through national and local policy. It was questioned when planning permission is required for change of use, Officers advised that only for change of use from pub to residential, and that changes of use to restaurant/cafe, a shop or supermarket and officers for financial and professional services such as estate agents and building society permission was not required as this falls under permitted development rights.

Members queried whether last minute Article 4 Directions are less robust than having a city wide Article 4 Direction. Officers confirmed that a city wide direction had been explored fully and could not be limited to traditional, community pubs as a result of the way public houses are classified by the use class order. As such, a city wide direction would have to cover all drinking establishments, including modern bars. Officers advised that the evidence suggested the removal of permitted development rights for all drinking establishments at a city wide level this wouldn't be practical or necessary in York.

It was queried whether being nominated as an asset of community value gave pubs protection from demolition as well as change of use. Officers confirmed that pubs are protected from demolition when recognised as an asset of community value.

Members made the following comments:

- In respect of The Fossway Public House in Table One, whilst change of use from residential had been granted through planning permission this has not been implemented. The building is in use as a charity food bank so remains a community asset.
- Whilst the report was very detailed, the point of view of communities is an issue and the recommendation to not progress any work is not the right approach.
- The Council should be at the very least, undertaking initiatives to publicise the process for how to list pubs as

assets of community value. This was considered to be a relatively small cost as set out in the report and option 1 would allow the funding required to be looked at through the budgetary process.

- Some Members supported the making of a city wide Article 4 Direction and asked officers what level of evidence would be required to support this. Officers reiterated that a city wide direction had been explored to its fullest but was not considered practical or necessary.
- Members felt that by not proceeding with any further work on the issue, the motion passed at Council in December 2014 was not being progressed as required by Members at that time and despite a change in administration, Members still wished to see further exploration.

Councillor Steward spoke to advise that the Executive would be willing to look at the matter further, exploring further options and would be having talks with interested stakeholders prior to the Executive Meeting on the 29<sup>th</sup> October. This would include a financial commitment for further work.

Following further discussion, it was agreed:

Resolved: That Local Plan Working Group Members advised the Executive that:

The Working Group does not support Option 3 but supports Options 1 and 2 as a minimum and is happy to refer the matter to Executive for further exploration, subject to the comments made above.

Reason: To enable Executive to further consider the options open to the Council in relation to affording greater protection to public houses.



## 10. Minerals and Waste Joint Plan - Preferred Options

Members considered a report which updated them on the progress of the Minerals and Waste Joint Plan that City of York Council is producing with North Yorkshire County Council and the North York Moors National Park Authority and to ask Members to approve the attached Preferred Options documents for public consultation.

Officers provided a number of updates to the committee report as follows:

- The Council's Corporate Management Team had commented on the report and amended paragraph 18 to clarify the context of National Planning Policy in relation to 'fracking' and to set out the further stages of consultation that will take place during the production of the Minerals and Waste Joint Plan.
- Fracking remained the most controversial aspect of the plan
- The Shale Community Engagement Charter 2013 states that the Industry had committed to a financial package for communities who host shale gas development which had been welcomed by the Government.
- A Government Guidance Note on fracking issued in December 2012 announced support to encourage investment in the onshore gas industry including tax incentives.
- In response to the comments made by Mr Valentine on Harewood Whin, as the plan is being consulted upon there will be an opportunity for people to put forward their points fully and they will be incorporated into next draft document.

Officers outlined the key aspects of the report and advised that the document was the result of 2 years work and 3 previous rounds of consultation. The current stage attached at Annex A is the preferred options stage which Members are being asked to approve for public consultation.

Members made a number of points as follows:

- A number of points were made about fracking, in particular that local policy is restrained by national policy. Members also referred to the motion passed by Full Council in

December 2014, the spirit of which was to limit fracking in the York area.

- In relation to policies M16, M17, M18 and D9 – it would be preferable to have some reference to the safe decommissioning and sealing of wells after they have stopped being used in order to help prevent water supply contamination.
- A member queried whether it was feasible (not contrary to Government policy) to make reference to nature conservation sites (Sites of Special Scientific Interest and Special Protection Areas) in policy M16 (shale gas) or at least make stronger linkages with other biodiversity policies in the Plan (DO7). Officers stated that they would discuss this with NYCC and NYMP and would report any amendments to Executive.
- In reference to the public speaker from Rufforth Parish Council a Member queried whether if further alternative sites were put forward through the preferred options consultation would it require a further sites consultation. Officers confirmed that to date no suitable alternative sites had been submitted for the potential Waste Transfer Station at Harewood Whin. However if further sites were put forward through consultation then these would need to be explored and that this could impact on the overall timetable.
- A member raised a concern regarding the adequacy of building aggregates in the Joint Plan in relation to the quantum of development emerging from the Local Plan. Officers confirmed that the aggregates industry had been involved by providing figures for the evidence base which supports the Joint Plan but given the current position of the Local Plan, it is difficult to include exact development figures.
- A member also asked that there be reference to potential hazardous waste water as a result of shale gas production.

Resolved: That Members recommended Option ii) that Executive approve the Preferred Options document (Annexes A-D) subject to the following amendments:

- The addition of a clear reference to ensure that decommissioned wells are made safe to ensure long term safety.

- Make reference to nature conservation sites in policy M16, if feasible.
- Explore additional wording and/or linkage between policy M16 and waste water within the document.

Reason: So that the Minerals and Waste Joint plan can be progressed.

Cllr N Ayre Chair

[The Meeting Started At 5.30 pm And Finished At 6.45 pm].

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**Local Plan Working Group****30<sup>th</sup> November 2015**

Report of the Acting Director for City and Environmental Services

**YORK CENTRAL LOCAL PLAN POLICY APPROACH****Summary**

1. This report has been prepared to inform and seek views from Members of the Local Plan Working Group (LPWG) in respect of work to date on the development of a York Central local plan policy, to inform overall approach to site allocation.
2. The report also sets out a brief update on work to date on this strategic development site and future milestones for delivery.
3. A separate Executive Report will be considered by Members on 15<sup>th</sup> December 2015, Recommendations of this LPWG will be considered as part of the Executive Meeting.
4. The Executive Paper will seek Member approval on the following:
  - York Central Planning Policy Approach (this paper)
  - Informal Consultation Strategy for York Central
  - Negotiation of Partnership Agreement with Network Rail, National Rail Museum and Homes and Communities Agency
  - Advisor Procurement Strategy
  - Land Assembly

**Background**

5. Development of the York Central site is an identified strategic priority for the City Council, landowners, Local Enterprise Partnerships (York, North Yorkshire and East Riding and Leeds City Region) and wider stakeholders, including Central Government departments and the Homes & Communities Agency (HCA).

6. In York's draft Economic Strategy 2015-20, delivering the right grade A office accommodation on York Central is identified as the primary enabler in increasing average wages in the city, which are currently below the national average despite York being the city with the highest qualified resident population in the North of England. Without the office element of the York Central development being delivered, it is likely that real wages in the city will continue to decline due to the projected trend of growth in tourism, retail and care sectors significantly outstripping higher value sectors requiring quality accommodation in prime locations.
7. Development of the site has been a longstanding ambition for the City Council and has featured consistently in successive versions of the development control local plan (and draft Core Strategy/ new Local Plan). It has been identified as a location for significant housing development and B1a office growth. The September 2014 publication draft Local Plan identified the site as a 'Key Area of Opportunity', accommodating 410 residential units over the plan period, and up to 80,000 sq m (gross) of office led commercial accommodation, based on the limited capacity of existing infrastructure (and therefore envisioning the development of only part of the site over the plan period, with residual to follow in post plan period).
8. Over the past 12 months, CYC have been working in collaboration with Network Rail and other partners on the York Central site. Informed by the complex site constraints, the potential capacity of the site has been refined and a vision for the scheme which addresses wider regeneration objectives is being developed.
9. The vision for the site is for a high quality office-led urban extension, meeting the City's aspirations for economic growth whilst transforming how the railway station functions as a gateway to the City and allowing the National Railway Museum (NRM) to modernise and expand. Beyond this area of urban extension, a sustainable new residential neighbourhood is envisioned, making efficient use of brownfield land and meeting demand for new housing. Connecting both of these components of development will be a framework of exceptional public realm and open space, providing both local and civic amenity space, and creating new linkages for residents. All areas of the site should benefit from high speed broadband connectivity.
10. The creation of high quality well designed public realm for the whole site will support the overall economic and social objectives. There is a role

for the York Central policy to outline the intention to create an inviting and vibrant destination for residents visitors and workers which can only be delivered if care is taken to deliver high quality buildings and high quality spaces between them.

11. The site has the opportunities of scale and location to deliver economic and regeneration benefits for the locality, City, region and beyond.
12. Historically the site's development has been hindered by a combination of abnormal site and infrastructure costs, development risk associated with operational rail use, land assembly constraints and market cycle timing.
13. Significant work has been undertaken by the Council and partners over recent years to de-risk and facilitate site development. A more extensive and comprehensive phased development is now considered to be achievable over the Local Plan period. In summary, work by partners to de-risk and facilitate development has focussed around:
  - Acquisition of third party freehold and leasehold interests
  - Establishment of robust long term partnership to deliver the site, ensuring investment and return across the appropriate stakeholder bodies
  - Applications for available public sector funding to share risk and deliver investment associated with enabling infrastructure required to unlock the site
  - Identification of site constraints, to inform potential capacity of the site
  - Identification of efficient phased infrastructure plan to provide development plots available for phased development delivery
  - Establishment of project resource and governance arrangements
14. Together, this work has meant that a greater portion of the development site is capable of being developed over the Local Plan period, leading to an increase in the quanta of development from the site that can be delivered in the short to medium term and therefore be included in Local Plan policy, when compared to previous iterations of the plan.
15. Soft market testing of the national and regional developer market demonstrates that York Central is an outstanding opportunity with pent-up demand from occupiers waiting for new high quality office space to be delivered. The centre is so constrained by heritage issues and

highways that this is the only logical place to extend the city centre. York's housing market is also, excepting again the supply issue, very buoyant with the highest residential values/ sq m in the North of England

16. In this context, it is essential that a planning approach be defined that will allow the Local Planning Authority (LPA) to respond positively to phased development proposals and provide confidence to the development industry.

### **Local Plan Policy Approach**

17. Redevelopment of the York Central site has long been a Council priority and this is reflected in successive versions of the draft Local Plan for the City.
18. The 2014 publication draft of the Local Plan contained a bespoke site area policy setting out development principles, aspirations and quanta. This policy will be updated as the current draft Local Plan and the York Central project evolve. Central to these revisions will be updated development quanta, to reflect development approach, additional capacity unlocked through enabling infrastructure investment, and therefore the fuller extent of site that is considered deliverable over the Local Plan period. A draft revised policy and concept plan is included at appendix 1, though this will continue to evolve as the York Central project and wider Local Plan work develop. A summary of the general areas of update proposed to the policy are set out below:
  - Updated development quanta deliverable over plan period to reflect current delivery approach (see the following sections of this report).
  - Updated concept plan to reflect current access and development approach
  - Updated explanatory text to reflect current development assumptions and approach.
  - Inclusion of ancillary commuter and visitor parking within schedule of site uses
  - Review of development principles, to reflect current delivery approach and feasibility/ deliverability.
19. Sitting behind the Local Plan Policy in support of the proposed allocation approach, a suite of evidence base documents, informed by



the technical project library, will be prepared for Local Plan publication and examination.

### **Financial Viability & Deliverability**

20. Central to the evidence base is the financial viability and deliverability of the allocation. As expected with a complex development site of this nature, viability appraisal work has been undertaken at the strategic level. This work culminated in the production in 2014 of a phased site viability appraisal which identifies a viable phased development proposition at York Central.
21. Officers are currently updating the work to reflect the latest partnership, funding availability, cashflow analysis, delivery and development approach (including reflecting the Housing zone and potential Enterprise Zone status of the site, both of which would assist in unlocking the site through accelerating delivery and enabling infrastructure investment). Further papers will be brought to Members once the Enterprise Zone application has been determined.

### **Residential Quanta**

22. Previous iterations of the draft Local Plan have limited residential quanta within the housing trajectory from York Central, due to the capacity of the existing site infrastructure. Significant steps have been taken in the past 12 months to address the constraints on capacity through mechanisms to provide deliverable enabling infrastructure. A phased development proposition with delivery of significantly greater residential unit numbers over the plan period is now considered feasible.
23. Further work linked to ongoing site masterplanning and the emerging Planning Framework is also being undertaken to understand and evidence the total residential quanta achievable on the site and the implications of this on development form and housing type, size and density.

24. Four residential development scenarios have been identified for the site:
  - 1,000 units at c.60-80 dph (with 120,000 sq m commercial).
  - 1,500 units at c.70-90 dph (with 100,000 sq m commercial).
  - 2,000 units at c.80-100 dph (with 80,000 sq m commercial).
  - 2,500 units at up to c145dph (with 60,000 sq commercial).
25. Each of these options would still be constrained in terms of the amount of housing deliverable over the plan period, with a relatively constant quanta deliverable across all four – this is summarised at paragraph 33.
26. York-based urban comparator developments of a large scale are scarce due to the constrained historic nature of the City, ‘St Peters’ development off Leeman Road achieves a density of around 70dph, ‘The Square’ Tadcaster Road 45dph, the Bedern scheme 75dph, and the high density mixed-use Hungate scheme around 175 dph and Barbican 180 dph. The fact that all of these schemes are much smaller than York Central allows for some of them to realise higher densities, due to the absence of significant infrastructure and strategic open space/ community facilities.
27. It should also be noted that the options presented for York Central represent an average density over a large development area, within which areas of significantly higher and lower density will likely occur, responding to the urban or suburban context of development.
28. The higher average density residential development scenarios considered may raise concerns around the capacity of transport infrastructure, and ability to provide reasonable amounts of public open space and community facilities on site. Additionally, this approach reduces the quanta of commercial floorspace deliverable, to the point where a viable critical mass of development may not be achievable and Enterprise Zone funding approach may be undermined. Due to these factors, Scenario 4 in particular should be treated with caution, and, a more moderate development scenario’s is favoured by officers.
29. Of the four residential development scenarios presented, lower quanta/density approaches would provide larger units within the housing mix, with greater private amenity space, and provide a scale and massing of development conforming to more suburban contexts. Higher densities generally introduce more flatted accommodation and smaller units, providing fewer family units but making more efficient use

of brownfield land, and generally resulting in fewer car trips/unit than lower density models. Higher density accommodation, where a managed, flatted residential solution is the typical delivery model, could offer the right accommodation solution for older people and for the young high skilled professionals graduating from our universities and colleges, who are likely to stay in the city if the central business district provides attractive high value jobs, in line with our aspirations. Private Rented accommodation, which adopts a similar delivery model, may also come to play an increasingly important role in York's housing market where affordability remains a key concern.

### **Preferred residential quanta and timescales**

30. In this context, the preferred scenario expressed by officers for the York Central site is for the mid density residential model of 1,500 homes and this is reflected in the proposed policy at Annex 1. It is however proposed that all the density options will be included in the forthcoming informal public consultation which will be brought before Executive in December.
31. Even for this higher residential density model, development lead-in times and annual delivery rates will be likely to preclude the delivery of the full development quantum over the Local Plan period. Officers have made a series of assumptions around these variables, in order to generate an estimated plan period housing delivery quanta for York Central. This work will continue to be developed alongside the wider Local Plan housing trajectory.

### **Lead-in times**

32. Work is progressing to formalise Partnership arrangements, funding mechanisms, cashflow and delivery strategy. Notwithstanding this, given the scale and complexity of the site, it will take time for the procedural and enabling work to be undertaken that will allow residential development to proceed on the site. Specific workstreams including land assembly, site clearance, remediation, infrastructure delivery, developer procurement and planning approvals need to be undertaken before significant housing delivery can commence.

33. The phased delivery strategy set out elsewhere in the report is designed, in part, to minimise lead-in times so development can begin as soon as possible. The current programme estimates a period of around three years is required in order to undertake works to first completion of residential units on York Central. From this first completion, given the scale of site and consequent ability to operate multiple outlets, an uninterrupted rolling delivery programme is considered to be achievable subject to market stability.

### **Annual Completion Rates**

34. A range of factors affect annual completion rates on residential development sites. Scale of site and number of active housebuilders on site (or 'outlets') are key determining factors. Additionally, factors including market appetite and saturation (both perceived and actual), finance availability (to industry and consumer), housing tenure, housing sector and relationship to mixed uses will all affect annual delivery rates.
35. Historically, completion rates at major residential new build sites within York have averaged 48 dwelling per annum (dpa). These annual completion rates do increase with scale of development:
- Sites over 250 units in size average 104dpa
  - Sites between 100 – 249 units average 62dpa
  - Sites between 50-99 units average 32dpa
36. Market evidence suggests that on larger residential sites in the strong York housing market area, average annual completion rates of 70 - 90dpa would be achievable. A housing industry survey, which seeks views on matters including lead-in times and annual delivery rates, is currently live, and findings will be reported to Members and fed into Local Plan approach as appropriate. The York Central site offers significant potential for housing delivery from the private rented sector, where delivery rates are less constrained by demand-side factors including mortgage availability and market saturation issues. This has potential to increase average annual completions significantly at the site.

## **Residential Unit Completions in Plan Period**

37. On the basis of the evidence currently available, officers recommend that assumptions of delivery of an average of 100 dwellings per annum at York Central with a lead in time of 3 years from November 2015 should be applied to inform the Local Plan trajectory. Applied to a plan period ending 31<sup>st</sup> March 2031, these assumptions would yield 1,233 units at York Central. These assumptions should be reviewed as work on the Local Plan and York Central site progresses.

## **Commercial quanta**

### **City Wide Approach**

38. Members of the Local Plan Working Group met in September 2015 to consider the approach to economic growth within York Local Plan. Members asked officers to undertake further work around both a baseline economic growth forecast and a second 'scenario 2' forecast, which re-profiled growth across employment sectors. Work is underway by officers to convert these employment growth forecasts into floorspace requirements, and a further report will be taken to members of the LPWG in this respect in due course.
39. In its' 2015 report, Bilfinger GVA states that in York "the overall supply of Grade 'A' space is restricted and the amount of accommodation marketed to let or for sale at any one time is limited." While one may look at city-wide availability as a headline measure, GVA suggests that "[this] figure is misleading, especially when we consider what space might in reality be available to an inward investing occupier who is looking for high quality space." It explains that "indigenous demand for office space in York is considered to be relatively strong and the City benefits from a healthy level of inward investment enquiries; however this demand is not matched by an equivalent supply of modern space." As a result, significant enquiries and occupiers have been lost from the city. For example, established York employer and national law firm Bond Dickinson had a 20,000sq.ft requirement for the city centre that could not be satisfied, despite wanting to remain in the city. The example of specialist international insurer Hiscox locating at Hungate, demonstrates that there is demand from high quality businesses. However, for Hiscox to establish a quality office within the city, they had to undertake a significant investment and construct their own premises due to a lack of suitable accommodation within the market.

40. Similarly, the lack of suitable space has proved restrictive for inward investment enquiries. In the financial year 2013/14, City of York Council reported Foreign Direct Investment enquiries for 27,000 sq.m. of grade A office space which it was unable to meet.

### **York Central Approach**

41. Extensive soft market testing of the York Central proposition was undertaken recently with national, regional and local developers, and an overwhelmingly positive response was received, with enquiries continuing to be received from developers, investors, agents and potential occupiers. The view from the market is that there has long been unsatisfied latent demand for grade A city centre office space in York due to a historic lack of suitable accommodation or sites in the city.
42. The 2014 viability assessment work undertaken for York Central highlights that 'in terms of supply remaining, there is an availability of 932,000sq.ft. It is considered that this is a misleading figure as most of this is small, second hand stock that is only suitable for small local businesses, or may not even be fit for purpose. Over 79% of the space has been available for over twelve months. There is very little available space for large scale inward investment and several modest lettings would reduce this limited supply significantly.'
43. The soft market testing responses demonstrate that York Central is an outstanding opportunity with pent-up demand from occupiers waiting for new high quality office space to be delivered. The city centre is so constrained by heritage issues and highways that this is the only logical place to extend the city centre.
44. Emerging masterplan led work at York Central indicates a deliverable global quantum of c121, 000 sq m (gross) commercial floorspace across the whole development area. This is a considerable quantum of development, and when set against forthcoming Local Plan B1a office needs, may represent a significant proportion of the plan period requirement. However the following points should be born in mind:
  - Ancillary land-uses will take up a proportion of this commercial floorspace, alongside core B1a office development.

- The flexible masterplan approach will allow for any shortfall in predicted B1a demand at the site to be accommodated.
- Existing trends of reduction in the City's B1a office stock (due to conversion and demolition) may continue, and re-provision may also be appropriate.
- Given its scale, the masterplan may deliver over and beyond the plan period.

Each of these points will now be considered in turn.

### **Ancillary uses**

45. Whilst B1a office is forecast to occupy the bulk of commercial floorspace at York Central, the emerging masterplan and draft Local Plan policy also allow for a range of ancillary land-uses including associated car parking, bar & restaurant uses, hotel, leisure and retail uses. Given the flexible approach of the emerging Planning Framework, it is not possible at this stage to define the exact degree to which these ancillary uses will cumulatively occupy available commercial floorspace. A range of between 10-30% is considered by officers to represent the likely extent of total commercial floorspace to be taken up by ancillary uses. This would retain between 85,000 - 109,000 sq m of B1a office floorspace.

### **Accommodating shortfall in demand**

46. In the context of the mixed-use nature of the site and flexible planning framework approach, any shortfalls in demand for either B1a accommodation or residential accommodation at York Central could lead to the release of development plots for alternative uses. Safeguard periods and release mechanisms could be built into the SPD and partnership approach in this respect.

### **Re-provision of lost City stock**

47. A comprehensive survey of existing office stock undertaken in 2011 reveals a paucity of high quality office stock in York City Centre. The survey finds that of a total of 134,000 sq m city centre office stock, only 23% is grade A, with 59% grade B, 15% C and 18% ungraded. Further survey work undertaken at the same time found that, associated with this poor quality of offer, around 22% of city centre stock was vacant at that time.

48. In the context of this poor quality and dispersed existing office offer within the City centre, it is to be expected that an element of existing (and increasingly ageing) office stock will be converted to alternative uses over the plan period. The now permanent permitted development rights for conversion of vacant stock to residential uses are likely to facilitate and accelerate this conversion.
49. Monitoring data on demolitions and conversions from 2012 to date will be reported to Members as part of wider papers on Employment Land Review in early 16 and may be factored into projections of need over the plan period.
50. Given the highly connected location of York Central, opportunity to provide modern floor-plates and accommodation standards, and the co-location benefits of a centralised and consolidated business district, it is considered appropriate that the masterplan and planning approach allow for an element of any lost existing capacity to be re-provided at York Central over the plan period.

### **Plan Period Delivery**

51. Given the scale of commercial opportunity at York Central, appetite to create a compact and high quality central business district, and opportunities associated with location and potential for incentivised occupation through Enterprise Zone, it is not inappropriate for the commercial floorspace quanta identified in the masterplan, SPD and LP policy to exceed the Local Plan need, potentially delivering beyond the plan period. Forecasting commercial floorspace uptake rates is difficult in advance of detailed engagement with site developers and occupiers, however, as part of the Enterprise Zone application made earlier this year, forecasts were made for a base case; delivering c48,000 sq m of new office-led floorspace over the plan period, and an incentivised 'enterprise zone' case; delivering c86,000 sq m over the same period.
52. In terms of broader Local Plan approach to B1a requirements and allocation, further reports will be brought to Members in due course. Without prejudice to this work, it is recommended that the sequentially preferable location of York Central and scale of opportunity for consolidated and modern grade 'A' accommodation would support the principle of the majority of the plan period's needs being allocated in



this location. In order to provide market choice, creating conditions that will encourage further inward investment, and allow delivery throughout the Local Plan period, smaller scale allocations on other sites may also be appropriate.

### **York Central SPD**

53. In order to provide additional guidance to developers and allow local communities to shape development proposals appropriately, it is proposed that the approach to York Central site set out in the emerging Local Plan should be augmented by a more detailed Supplementary Planning Document or SPD.
54. SPD's are defined in the National Planning Policy Framework (NPPF) as:

‘Documents which add further detail to the policies in the Local Plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan.’
55. The York Central SPD was conceived in order to provide guidelines for the ‘phased site release’ approach; identified within the project as mitigating development risk and facilitating delivery. These guidelines will guarantee that each phase of development can take place within a comprehensive and co-ordinated framework, which ensures that subsequent phases are not prejudiced spatially, in financial terms, or by the development principles adopted. Combined with the partnership agreement considered in more detail in the forthcoming December 2015 Executive paper, the approach will ensure a development which is greater than its individual component's, by deterring both ‘cherry-picking’ and sub-optimisation. It will also allow the scope of public sector enabling infrastructure works to be defined and articulated clearly to the market and communities. Given the long term nature of the development project, a flexible approach will be taken in the SPD, in order to allow the market to deliver innovation and respond to current circumstances, avoiding a prescriptive planning approach that rapidly becomes outdated.

56. To deliver the SPD, consultants ARUP have been appointed by CYC and majority landowner Network Rail. This appointment builds on an earlier joint appointment in 2014 for ARUP/ Colliers to prepare an interim viability and masterplan study of the site. Work to date on the SPD has included a review of the technical constraints, work on the evidence base around transport and housing, some stakeholder engagement (including incorporation of the NRM's development aspirations), and scoping of a planning framework and infrastructure approach.
57. It is intended that an early consultation exercise be undertaken from January 2016, (further detail of this is given in the next section of this report and more detailed papers will be considered by Executive on 15<sup>th</sup> December), this exercise would inform the subsequent production of the SPD by summer 2016, shortly in advance of the Local Plan. Until the Local Plan is adopted, the SPD would constitute an 'Interim SPD/ Planning Statement' (there not being an adopted development plan to which the document could be supplementary in a formal sense).
58. The 2015 Planning and Housing bill proposes (at clause 102) provision for the Secretary of State (through development order), to grant permission in principle to land that is allocated for development in a qualifying document such as the statutory brownfield land register (requirement set out at clause 103), or Local Plan. This builds on governments announcement earlier in the year that LPA's would be expected to adopt Local Development Orders on 90% of brownfield land. Initially the scope of development that the bill's permission in principle is expected to allow will be limited to sites suitable for 'housing (use), location and amount of development'. The permission in principle would be granted at the time that the qualifying document is adopted or made by the LPA. The development order would set out how long the permission in principle would be valid for.
59. Under this approach, the grant of full planning permission would be obtained through the combination of permission in principle with a 'technical details consent' approval granted by the Local Authority. Technical details consent could only be granted or refused on the grounds of previously unconsidered technical matters. Planning conditions related to the development could be attached to the technical details consent. The Government intends to consult soon on the details of the application process for technical detail consent.

60. Clearly these approaches to securing approval for development would be radically different from current procedures, and has the potential to introduce alternative delivery routes in respect of the brownfield York Central site. However much of the detail of, and indeed the timescale for implementation of the Bill is currently unclear. Additional complications may arise in terms of the York Central site given the mixed-use nature of the development – defining those parts of the redevelopment which are to be residential (and to which the new approach would apply), and those which are commercial may not be possible in the early years of the project. The Bill also provides for discretion on the part of the LPA, to exclude land from the register that they would otherwise be obliged to include. The example provided by the Government is where the development of land would be particularly controversial and the LPA considers that the normal planning application route would be more appropriate.
61. Given the uncertainty around the applicability, timescales and detail of the Bill's provisions, and in the context of the general utility of a planning framework intended to enable site development, it is the view of officers that work on preparation of the SPD should continue in the short to medium term, though a watching brief be kept on the progress of legislation, and implications considered as and when necessary.
62. In the context of the current status quo with regards planning control being maintained (at least in the short term), the emerging strategy for the site is one of preparation of a hybrid planning application by the development partnership, which will secure outline consent for the residential and commercial elements of the scheme, with full consent for enabling infrastructure works and potentially also covering early phases of development. It is intended that partners taking forward individual development plots would then secure a reserved matters consent that accords with the broad parameters established in the outline permission and SPD.
63. The SPD will also have a role in terms of defining infrastructure contributions from and for the site, and preparation will be aligned with work on any York Community Infrastructure Levy (CIL). Additional design code documents and supplementary thematic guidance may be produced to sit below the principle SPD in order to elaborate further on key issues.

## **Consultation Document to inform SPD Production**

64. In order to inform production of the SPD, it is proposed that CYC undertake an informal public consultation on high level development options and principles early in 2016. This initial consultation approach will be considered by executive on 15<sup>th</sup> December 2015.
65. This initial consultation will allow local communities an opportunity to meaningfully shape the development proposals, through presenting options and development principles for this complex project at a formative stage and in a manner that is easily interpretable and engaging.
66. Given the constrained and complex nature of the site, and informed by extensive technical assessment work to date, there are key aspects of development for which feasible alternative options are limited or do not exist. Where this is the case it will be made clear in the consultation document, with explanatory text.
67. Following this initial informal consultation, findings and responses would be reported to the LPWG and made publically available, and a second formal and more detailed consultation on a draft final SPD document would take place in summer 2016. Members of the LPWG would consider and give views on the draft SPD document prior to release for public consultation.

### **Summary**

68. Members of the Local Plan working group are asked to note the progress to identifying Local Plan policy approach to York Central site allocation, and endorse further work by officers to refine this work and use it to inform wider Local Plan approach to be reported in due course.

## Council Plan

69. The information in this report is aligned with and will promote the priorities from the Council Plan: 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

70. The following implications have been assessed:
71. **Financial.** There are no direct financial implications to this report. The council owns land in and around the York central site that will be utilised to facilitate development. There are significant infrastructure costs in bringing the site forward for development. The costs, benefits and risks relating the development of the site between the key partners will need to be agreed prior to any development of the site. The availability of external funding (eg Employment Zone status) and the relationship between partners will be a significant factor in how quickly that can be resolved. The Executive / Full Council will determine the level of resources to be made available from the council into unlocking the development

**Human Resources (HR)** The delivery of the York Central project and the development of an SPD and associated evidence base requires the continued implementation of a work programme that will be resourced within the Council

**Community Impact Assessment** A CIA will be undertaken for the consultation document

**Legal** The Council has a legal duty to comply with the Statement of Community Involvement in preparing the Plan. (S19(3) 2004 Act). Planning Inspectorate guidance states that “general accordance” amounts to compliance.

**Crime and Disorder** None

**Information Technology (IT)** None

**Property** The Council owns land on the periphery of the York Central site which will be utilised to facilitate development. A programme of council land acquisition is proposed to further facilitate development at York Central, and is subject of separate reports

**Other** None

## **Risk Management**

72. In addition to compliance with CYC risk management strategy, the main risks associated with activity set out in this report are:
- The risk that opportunities are not taken to expedite development at York central and a generational opportunity for sustainable growth is lost
  - The potential damage to the Council’s image and reputation if a development plan is not adopted in an appropriate timeframe
  - The risk of challenge to allocation approach at Local Plan examination

## **Recommendations**

73. Local Plan Working Group Members are asked to consider this report and provide comments for Executive to inform their decisions on the emerging York Central Local Plan policy and approach to site allocation within the plan

Reason: To provide Executive with advice and comment as they shape the York Central site and inform the Local Plan

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**Report  
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**Date** 20/11/15

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## **Appendix 1: Emerging Draft York Central policy and concept plan for Local Plan.**

### **Policy X: York Central**

York Central (ST5) is allocated as an Area of Opportunity. This Area of Opportunity will enable the creation of a new piece of the city; with exemplar mixed development including a world class urban quarter forming part of the City Centre. This will include; a new high quality central business district, expanded and new cultural and visitor facilities and a new high quality and vibrant residential quarter.

The following mix of uses will be permitted within the York Central Area of Opportunity Allocation. Proposals for main town centre uses will be subject to an impact and sequential assessment:

- Offices (B1a);
- Residential;
- Culture, leisure, tourism and niche/ancillary retail facilities;
- Open space, high quality public realm and supporting social infrastructure;
- Rail uses associated with operational rationalisation and functionality and providing for HS2, Harrogate Line chord and NRM facility; and
- Car parking associated with the above uses.

Land within York Central, as identified on the Proposals Map, will be allocated for development for the above uses, and is anticipated to deliver within the plan period, around 1,233 dwellings and 86,000 sq m of (B1a) Office led commercial development.

Development within the York Central site will be permitted in accordance with the principles set out below.

The principles of development at York Central are to:

- i. Create a high quality mixed-use urban quarter for York including a range of commercial, residential and leisure uses;
- ii. Provide a new central business district with critical mass of high quality new offices;



- iii. Enhance the quality of the cultural area around the National Railway Museum (including expansion of the museum) within high quality public realm and improving connectivity of the area to the rest of the city;
- iv. create a distinctive new place of outstanding quality and design which complements and enhances the existing historic urban fabric of the city, safeguards those elements which contribute to the distinctive historic character of the city, and assimilates into its setting and surrounding communities;
- v. maximise the benefits of sustainable economic growth;
- vi. Create a sustainable new community with a range of housing types and tenures;
- vii. ensure provision of social infrastructure which meets the needs of the new community including sports, leisure, health, education and community facilities and open space;
- viii. Maximise integration, connection and accessibility in and out of the site, including inter-modal connectivity improvements at York Railway Station
- ix. Ensure as many trips as possible are taken by sustainable travel modes and to promote and facilitate modal shift from the car;
- x. Minimise the environmental impact of vehicular trips;
- xi. deliver development within a green infrastructure framework which maximises linkages with the wider green infrastructure network and integrates with wider public realm in the city; and
- xii. Ensure sustainability principles are embedded at all stages of the development.
- xiii Provide high speed fibre broadband across the whole site

# York Central Emerging Draft Concept Plan



**Glossary**

CIL – Community Infrastructure Levy

CYC – City of York Council

dpa – Dwelling Per Annum

HCA – Homes & Communities Agency

LPA – Local Planning Authority

NPPF – National Planning Policy Framework

NRM – National Railway Museum

SPD – Supplementary Planning Document

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