

**Annex A:**

**City of York**

**Planning Policy Housing Delivery Action Plan Update**

**December 2022**

## 1) Introduction

- 1.1 The Housing Delivery Test (HDT) was introduced by Government in November 2018 as a means of encouraging more homes to be built across England and as a monitoring tool to demonstrate whether local areas are building enough homes to meet their housing need. It measures the number of homes built within a local planning authority (LPA) area as a percentage of total housing needs over a rolling three-year period. The City of York recorded a result of 65% in the latest published figures for 2021<sup>1</sup>.
- 1.2 Authorities that fall below 95% are required to prepare an action plan. This document has been prepared on that basis and is an update to the previous Planning Policy Housing Delivery Action Plan (HDAP) published by the Council in December 2021.
- 1.3 The scope and nature of an action plan is not fully prescribed by national policy or guidance. Best practice suggests that plans should respond to local circumstances and needs. To this end, this document provides commentary on the following:
- The Housing Delivery Test and what the measurement means for the City of York;
  - The council's approach to housing delivery;
  - An overview of historic delivery in the City
  - Key issues and barriers
  - The Action Plan

## 2) What is the Housing Delivery Test?

- 2.1 The aim of the HDT is to encourage local planning authorities to boost housing supply and is a means of monitoring housing delivery locally. This is achieved through measuring the net additional supply of new homes against the number of homes required over the previous three years. LPAs performance results are published by Government annually.
- 2.2 The methodology for the HDT is set out in the Housing Delivery Test Measurement Rule Book<sup>2</sup>. It dictates that, in the absence of an adopted Local Plan, the 'standard method' for assessing annual local housing need is used to generate the housing requirement figure.

---

<sup>1</sup> <https://www.gov.uk/government/publications/housing-delivery-test-2021-measurement>

<sup>2</sup> <https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book>

- 2.3 Government has applied a ‘Covid-19 adjustment’ to reflects the temporary disruption to house building caused by national lockdowns over recent years. As a result, the period for measuring the homes required in 2020/21 has been reduced by 4 months. A 1-month reduction in the period for measuring the homes required in 2019/20 also still applies.
- 2.4 The consequences for LPAs with housing delivery having fallen short of the housing requirement over the previous three years are set out in the National Planning Policy Framework (NPPF) (2021):
- the authority should publish an action plan if housing delivery falls below 95%.
  - a 20% buffer on the LPA’s five year land supply if housing delivery falls below 85%; and,
  - the presumption in favour of sustainable development is engaged if housing delivery falls below 75%<sup>3</sup>.

### 3) What does the Housing Delivery Test mean for the City of York?

- 3.1 The Housing Delivery Test Measure, published in January 2022 provides confirmation of the housing requirement figures and net completions applied to the calculation (Table 1), which result in a test result figure of **65%**.

<b>Table 1.</b> City of York Housing Delivery Test	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>	<b>Total</b>
No. of homes required (Standard Method)	1066	979 <sup>4</sup>	683 <sup>5</sup>	<b>2,728</b>
No. of homes required (Local Plan annual requirement)	822	754 <sup>4</sup>	548 <sup>5</sup>	<b>2,124</b>
No. of homes delivered <sup>6</sup>	451	627	704	<b>1,782</b>

#### HDT vs York’s emerging Local Plan

- 3.2 In advance of an adopted Local Plan, the housing requirement for York is not calculated using the annual figure set out in the emerging plan. It is, instead, established using the Government’s standard methodology, which generates a higher annual requirement.

<sup>3</sup> For further information see <https://www.gov.uk/guidance/housing-and-economic-landavailability-assessment#housing-delivery-test>

<sup>4</sup> Covid-19 adjustment applied to reflect the temporary disruption to house building caused by national lockdowns. The period for measuring the homes required in 2019/20 is reduced by 1 month.

<sup>5</sup> Covid-19 adjustment applied to reflect the temporary disruption to house building caused by national lockdowns. The period for measuring the homes required in 2020/21 is reduced by 4 months.

<sup>6</sup> Includes adjustments for student and other communal accommodation as calculated by MHCLG using two nationally set ratios based on England Census data and informed by the Authority’s Housing Flows Reconciliation (HFR) return.

- 3.3 In accordance with Annex 1 of the NPPF (2021), the City of York Local Plan is being examined under transitional arrangements following its submission in May 2018. The Council is therefore not bound to using the standard method to calculate its housing need. Based on evidence, the Plan proposes an annual average requirement of 822 homes.
- 3.4 Whilst the HDT sets a higher requirement benchmark to that which the council is advancing through its Local Plan, and the consequence of the 2021 measurement is that the ‘presumption’ is applied to decisions on planning applications, direct effects are considered to be minimal. In practice, the NPPF’s presumption in favour of sustainable development already applies to decisions as the Council has been without an adopted plan and does not have an NPPF compliant five-year housing land supply (for the purposes of its decision making).
- 3.5 The City’s Green Belt has provided strong policy protection to speculative applications that might otherwise have sought to capitalise on the ‘presumption’ being engaged. It is, however, increasingly being challenged in planning applications that seek to demonstrate ‘very special circumstances’. As the Local Plan moves closer to adoption (anticipated in 2023), the risk reduces significantly.

#### 4) The council’s existing approach to housing delivery

- 4.1 The council’s approach to housing delivery is embedded in the City of York Council Plan (2019-2023) which establishes eight key outcomes (seven of which will improve the quality of life for all residents, and one will enhance the way the council works):
- good health and wellbeing
  - well paid jobs and an inclusive economy
  - getting around sustainably
  - a better start for children and young people
  - a greener and cleaner city
  - **creating homes and world-class infrastructure**
  - safe communities and culture for all
  - an open and effective council.
- 4.2 Progressing the emerging Local Plan through to adoption is the council’s key driver for ensuring housing delivery that meets local needs and is supported by relevant infrastructure. It identifies a pipeline of sustainable and deliverable housing sites in line with the city’s strategic objectives and once adopted will set the regulatory framework for spatial development across the city.

- 4.3 The City of York Housing Delivery Programme (HDP) commits to developing over 600 new homes over the next 5 years on 8 council owned sites as part of the HDP. As part of this programme, the council has committed to a minimum of 40% affordable homes on these sites. Eight sites were originally identified to deliver this ambition, however over time new opportunities are being explored for sites both within and outside of the programme.
- 4.4 The HDP operates on a cross subsidy model whereby the market sale homes on each site help to fund the development costs of the affordable homes. This way the programme is financially sustainable in the long term, allowing the council to develop a second phase of the HDP beyond the initial 8 sites identified. It is anticipated that additional windfall sites will be identified to support this ambition.
- 4.5 The HDP also aims to provide new and flexible opportunities for housing delivery including self and community builds, the strategic disposal of land, and through the second hand shared ownership programme.
- 4.6 The Council maintains a register of previously developed ('Brownfield') land in accordance with the Town and Country Planning (Brownfield Land Register) Regulations 2017<sup>7</sup>. Sites within Part 1 of the Register are either draft allocations within the new Local Plan or have the benefit of planning permission subject to meeting the required threshold (i.e. has an area of at least 0.2 hectares or is capable of supporting at least 5 dwellings).
- 4.7 At this time, no sites are deemed as having 'permission in principle', however work may be undertaken to move sites into Part 2 of the Register following the Local Plan's examination.
- 4.8 It is recognised that York shares a housing market area with Selby District Council and links strongly to neighbouring districts. Work with neighbouring authorities under the Duty to Cooperate establishes that there is no requirement for the City of York to meet unmet provision in the wider area; it is accepted that each authority will meet its own identified housing need.
- 4.9 Given the commitment to housing delivery, data is gathered on a regular basis to inform the Council's Key Performance Indicators (KPIs) and to update regional monitoring reports and Housing Flows Reconciliation (HFR) returns to Government. Data collection and information gathering exercises are refined regularly to improve the quality of understanding on land supply and delivery issues.

---

<sup>7</sup> The Register, which is accompanied by an interactive map is available here and is updated annually: <https://www.york.gov.uk/BrownfieldRegister>

- 4.10 Six-monthly monitoring updates of the council's housing performance are available on the Council's website<sup>8</sup> and capture data from a number of sources:
- Results from 6 monthly site visits to verify the number of housing completions,
  - Analysis of monthly Building Control completions returns that provide information of both City of York Council and private building inspection records,
  - Regular contact with developers/applicants for each site with consent for over 10 dwellings, communal establishments and university managed student accommodation to accurately monitor completions and to estimate completions over the term of the build programme, and
  - Monitoring of extant consents, new permissions, developments allowed on appeal and the inclusion of development through certificates of lawful development previously not included within housing returns.
- 4.11 This information is also fed into the Council's Local Plan evidence base and is particularly relevant to its land supply calculations<sup>9</sup>.
- 4.12 The Council's affordable housing performance is monitored by the Housing Team with annual updates also provided online<sup>10</sup>.

## 5) An overview of historic delivery in the City

### Historic Data

- 5.1 A detailed overview of the council's housing performance over the previous ten-year period (2012 to 2022) can be found in Appendix 1. It should be noted that the records provided in Appendix 1 do not include development resulting from communal accommodation schemes such as care homes and student halls of residence but reflect all other development that falls into the general dwellings<sup>11</sup> definition.
- 5.2 A ten-year timescale has been deemed appropriate for our analysis as it represents a significant market cycle over which time trend data is meaningful in determining the achievements of actions within our housing market area. A shorter monitoring period may well magnify short term trends whilst a longer period may even out fluctuations to the point where market signals are missed.

---

<sup>8</sup> The latest reports available at: <https://www.york.gov.uk/downloads/download/819/annual-monitoring-reports>

<sup>9</sup> CYC Housing Land Supply Update June 2022 ([EX/CYC/76a](https://www.york.gov.uk/downloads/file/8100/ex-cyc-76a-housing-land-supply-update-addendum-response-to-representations-21-june-2022)): <https://www.york.gov.uk/downloads/file/8100/ex-cyc-76a-housing-land-supply-update-addendum-response-to-representations-21-june-2022>

<sup>10</sup> <https://www.york.gov.uk/housing/affordable-housing-completions/1>

<sup>11</sup> Dwellings are defined in the DLUHC Housing Flows Reconciliation User Guide see link: [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1093173/HFR\\_Guidance\\_-\\_2021-2022.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1093173/HFR_Guidance_-_2021-2022.pdf)

- 5.3 Our historic housing completion data indicates that housing completion trends have remained relatively stable and have averaged 676 net additional homes over the 10-year period with new build homes providing a significant majority of these completions (74.1%) and changes of use, including prior approvals, accounting for 24.2%.
- 5.4 Over 80% of housing completions have taken place on brownfield sites which reflects the council's policy aims of prioritising brownfield sites over greenfield locations where possible. However, this trend may change over coming years as developments get underway on the greenfield sites allocated in the emerging Local Plan.
- 5.5 Net housing consents have followed an upward trend over the last 10 years, although 2021/22 saw the lowest number of homes approved in that period (a total of 327). The annual figure takes account of previously approved housing sites having their capacities reduced by 128 homes. A further 247 homes had a resolution to grant approval subject to legal agreement (once signed, these sites are expected to be included in the 2022/23 figures). A number of schemes are also awaiting Secretary of State decisions, which includes 970 homes on the site at Monks Cross<sup>12</sup> (Local Plan allocation ST8).
- 5.6 On 1st April 2022 sites benefitting from planning permission equated to a total of 7,648 net additional homes. Notwithstanding the Council's evidence that around 10% of all consents are not implemented<sup>13</sup>, this represents a healthy level of provision. With 88.4% of all net unimplemented consents located on brownfield sites that tend to demand longer lead in times to delivery, it is reasonable to assume that these consents will more gradually translate to completions rather than providing an immediate spike in delivery rates.
- 5.7 The physical constraints relating to the development of brownfield sites together with the continued impact of new working practices associated with the recent pandemic added to current shortages of labour and materials make for challenging market conditions affecting the house building industry not just locally but also across the country.
- 5.8 During the last 10 years by far the largest proportion of new homes from windfall sites has been the result of conversions/change of use and from very small windfalls (sites below 0.2ha)<sup>14</sup>. This has been factored into recent assessments of housing supply anticipated over the period covered by the Local Plan and is reflected in the council's housing trajectory.

---

<sup>12</sup> Appeal Ref: APP/C2741/W/21/3282969

<sup>13</sup> See SHLAA Appendices May 2018 [SD049B] Annex 5 paragraphs 1.1 to 1.6:  
<https://www.york.gov.uk/downloads/file/1528/sd049b-strategic-housing-land-availability-assessment-2018-appendices>

<sup>14</sup> See Windfall Update Technical Paper 2022 [EX/CYC/77] using link:  
<https://www.york.gov.uk/downloads/file/7923/ex-cyc-77-windfall-update-technical-paper-2022>

5.9 Appendix 1 also provides details of completions and consents for 2021/22 (1st April 2021 – 31st March 2022) with some of the headline figures provided below:

- 58.5% of all net housing completions took place on brownfield sites whilst almost 70% of all new homes were on sites with a capacity of 50 or more homes.
- Almost 59% of all net housing completions took place within the urban area. A further 22.6% of homes were provided in sub-urban locations, whilst 11.2% were completed in the city centre and its extensions and 7.5% were in rural or village locations. In each area of the authority new build properties formed the largest proportion of all net additional completions.
- A net total of 327 new homes were approved during the monitoring year, the largest proportion of which was for new build properties with approval for 257 new homes (78.6%). Notable housing schemes approved during the monitoring year included sites at the Former York City Football Club, Bootham Crescent (93), Burnholme Community Hub (83) and Former Duncombe Barracks site (34)
- It should be noted that several previously approved development sites had overall capacities reduced by 128 homes during the monitoring period that impacted on the overall net approval figures
- A further 104 student cluster flats at Mecca Bingo, 68 Fishergate, 83 homes at Eastfield Lane, Dunnington and 48 homes at Cherry Tree House, 218 Fifth Avenue had a resolution to grant planning permission subject to legal agreements prior to 31st March 2021. These are in addition to the 327 homes with full approval and it is anticipated that these sites will be included within the 2022/23 consented figures.
- The largest contributor to the overall consented homes was new build schemes approved in the urban locations. The 126 net homes approved in this location made up almost 38.5% of all net approvals granted in the authority area.
- Sites with a capacity of more than 50 new homes made up the greatest number of net homes approved in the authority area and this was reflected in all areas other than in rural and village locations where changes of use had slightly the greatest number of approvals.
- On 1st April 2022, of the 7,648 net housing approvals 7,073 (92.5%) were on sites with a capacity of greater than 50 new homes.

## **Determination of Planning Applications**



- 5.1 City of York Council’s performance over the previous 3 years<sup>15</sup> has exceeded the national target for determination of applications within the statutory timeframe for major and minor applications as shown in the table below:

Table 2: Determination of major and minor applications against statutory timeframes

Year	Majors	Minors
2019-20	100.00%	84.75%
2020-21	100.00%	93.17%
2021-22	96.30%	91.03%
National Target	80%	70%

- 5.2 Further analysis of performance reveals that an approval rate of almost 86% has been achieved when determining both major and minor applications over the last 3 monitoring years.

Table 3: Major application grant and refusal rates.

Year	Granted		Refused	
	Number	%	Number	%
2019-20	41	97.62%	1	2.38%
2020-21	46	92.00%	4	8.00%
2021-22	21	77.78%	6	22.22%
Overall	108	90.76%	11	9.24%

<sup>15</sup> Data in tables 2, 3 and 4 is taken from Government PS1/PS2 returns ([DLUHC PS1/PS2 Returns Dashboard](#) please click to gain access), which excludes appeal information which was included in equivalent tables in the 2021 Housing delivery Action Plan.

Table 4: Minor application grant and refusal rates.

Year	Granted		Refused	
	Number	%	Number	%
<b>2019-20</b>	237	84.04%	45	15.96%
<b>2020-21</b>	210	84.34%	39	15.66%
<b>2021-22</b>	258	85.71%	43	14.29%
<b>Overall</b>	<b>705</b>	<b>84.74%</b>	<b>127</b>	<b>15.26%</b>

## 6) Understanding the key issues and barriers

6.1 The Council has gathered evidence from a wide range of sources including planning appeals and views from colleagues and key stakeholders involved in the planning and housing delivery process in order to understand the potential influencing issues and barriers associated with housing delivery in York. The identified key issues and barriers are below:

- a. The planning process
- b. Economic Drivers
- c. Resources and Capacity
- d. Physical and Environmental Constraints
- e. Other

6.2 Many of the issues and key barriers are well documented, with some of them intrinsic to the physical character of the City of York area and some of the emerging from central government's economic policies. The Council's ability to influence each of the barriers ranges but it is noted that each barrier requires a multitude of steps and stakeholders to come together to achieve the agreed aim.

6.3 Circumstances have not changed significantly since publication of the Council's 2021 Housing Delivery Action Plan. The issues identified below are therefore largely unchanged from those set out in the previous document.

### a) The planning process

6.4 **Adopting a Local Plan and defining of the Green Belt boundaries.** Plan preparation is demonstrably slower in Green Belt areas than elsewhere<sup>16</sup>. The

<sup>16</sup> Lichfields (April 2017): Planned and Deliver – Local Plan making under the NPPF: [https://lichfields.uk/media/3000/cl15281-local-plans-review-insight\\_mar-2017\\_screen.pdf](https://lichfields.uk/media/3000/cl15281-local-plans-review-insight_mar-2017_screen.pdf)

City of York does not have an up to date Local Plan and is tasked with defining the detailed Green Belt boundaries in the authority. Examination of the submitted Local Plan is currently ongoing<sup>17</sup> with phase 2 - 4 hearings having been completed in 2022.

- 6.5 Determining planning applications in the absence of an up to date Local Plan and confirmed Green Belt boundaries.** City of York have saved from the Yorkshire and Humber Regional Spatial Strategy (RSS) (2008) (YH9(C) and Y1 (C1 and C2)) which relate to York's Green Belt and the key diagram insofar as it illustrates the general extent of the Green Belt. These policies set the general extent of York's Green Belt to approximately 6 miles from the city centre. In line with the decision of the *Court in Wedgewood v City of York Council [2020]* Judgment<sup>18</sup>, and in advance of the adoption of a Local Plan, decisions on whether to treat land as falling within the Green Belt for development management purposes may need to take into account the RSS general extent of the Green Belt, the draft Local Plan (April 2005) (DCLP), the emerging Local Plan (2018), insofar as can be considered against paragraph 48 of the NPPF (2019) and site specific features in deciding whether land should be regarded as Green Belt.
- 6.6 Twelve of the Local Plan's housing allocations are within the general extent of York's Green Belt which has, in the past, made it difficult to grant planning permission on these sites where developers submitted applications intended to coincide with a much sooner conclusion of the examination process. However, that position is changing as a result of the significant progress made in the examination during 2022. The Council is now progressing applications that have long been 'in the system' and is working through technical issues on schemes to be in a position to grant permission. The Secretary of State decision (October 2022) not to call-in an application supported by members and officers for development on an allocated site in Copmanthorpe<sup>19</sup> further supports the Council's approach of seeking to positively determine applications.
- 6.7 Delivering supporting infrastructure.** Over 12,000 new homes within the Council's housing trajectory are from strategic sites (sites above 5 hectares), with four of the strategic sites due to deliver between 1000 and 4000 new homes. This level of development not only needs considerable time to prepare the site, but considerable investment in infrastructure from a multitude of agents. York Central (ST5), brought forward by York Central Partnership, is an example of this. Not only are there multiple landowners, there are a number of pieces of infrastructure across different phases that need to come together to unlock the delivery on the site and support quality of place and services.

---

<sup>17</sup> See <https://www.york.gov.uk/planning-policy/new-local-plan-examination/1>

<sup>18</sup> Case ref: [2020] EWHC 780 (Admin), 2020 WL 02086186

<sup>19</sup> Planning application reference: 18/00680/OUTM

- 6.8 **Proportionate approach to planning, specifically self-build.** Whilst the Council supports the delivery of housing in a range of ways, there is a view that the approach to securing planning consent should be more proportionate according to the type of development to be consented. As an example, for self-build consents is considered that the planning approach is not proportionate as it is the same process for determining a single plot as it is for strategic sites of over 5ha.
- 6.9 **Lack of clarity in planning definitions.** In relation to older people's independent living and extra care properties there is a lack of clarity about whether these homes are to be considered Use Class C2 or C3. Developers are looking to build extra care accommodation (independent living apartments with on-site care) and they are keen for this to be classified as Use Class C2, to avoid social housing S106 contributions. This then leads to protracted discussion and debate and requirement for additional evidence. Clearer national guidance is required for this as there is case law which supports both C2 and C3 classifications.
- 6.10 Developers hoping to build independent living and extra care accommodation for older people as Use Class C2 are then seeking to develop on green belt and unallocated sites as they are arguing that it should not detract from land allocated as C3 housing.
- 6.11 Additional and well documented issues across the board also include:
- Sufficient resourcing and skills within planning departments
  - Protracted S106 negotiations and timescales
  - Time needed to prepare large strategic sites

b) [Economic drivers](#)

- 6.12 **High land prices** – The council's Housing Delivery Programme (HDP) currently utilises council owned land, however, once exhausted it will be difficult to acquire more as the cost of land is extremely high. This is exacerbated when competing against large house builders who will not necessarily provide the same level of affordable housing that publicly funded schemes aspire to provide.
- 6.13 High land purchase prices within York can result in viability issues should the housing market experience fluctuations. A number of sites have been held back for development until the market corrected itself.
- 6.14 High land values also result in some developers looking to other authority areas with lower land prices. Market conditions vary across the region and many

developers are building the same design of property in a number of locations without the associated high land acquisition costs incurred in York.

- 6.15 Access to land is consistently brought up by Registered Provider (Housing Association) partners as a significant barrier to developing in York. For affordable housing delivery specifically, this is linked to the insufficiency of government (Homes England) capital grant funding to compete for sites in the York market.
- 6.16 Registered Providers being unable to access land impacts on both affordable housing and overall delivery, as Registered Providers can develop at a faster build out rate due to not relying on maintaining market prices via a slow “absorption rate” of completions.
- 6.17 The land supply challenge is exacerbated by some large landowners assigning development a low priority at current market returns – e.g. multinational owners of brownfield sites.
- 6.18 **Site Viability.** Land bought by developers when land values were at their peak, over 10 years ago, has resulted in a small but significant number of sites that have either taken a considerable amount of time to develop as the market conditions correct themselves or has been land banked for future development to ensure that the viability of residential projects is achieved. Additionally, as viability of the site changes, this has resulted in some renegotiation in relation to contributions the sites should make towards meeting policy requirements and S106 contributions.
- 6.19 **Alternative high yielding land uses.** The city centre and fringes have experienced significant student accommodation and hotel developments in recent years, both uses achieving greater returns to investors than that of C3 residential schemes.
- 6.20 Currently developers of student flats, and office-to-residential conversion, do not pay affordable housing commuted sums and some/any other s106 requirements. As well as disadvantaging other forms of residential development for the sites, this also reduces sums available for strategic investment in affordable housing and other infrastructure.
- 6.21 **Sales complexities.** Delivery of alternate uses to residential development, such as hotel and student accommodation, is less complex as a single operator can purchase the whole scheme, whereas, a residential development usually requires the sale of properties to a large number of individuals or investors. Some of this risk can be offset in residential development through the Private Rented Sector (PRS), with whole developments being built for sale to institutional investors. However, this remains a relatively new and untested concept in York.

**6.22 Competition.** Much of York's housing land is in the control of a small number of commercial house builders. This lack of competition does not incentivise a quick and efficient build out of homes. Often a commercial builder will not have two sites under construction if competing for the same buyers.

**6.23 Absorption rates.** the rate at which newly constructed homes can be sold or believed to be able to be sold into the local market, are seen as a fundamental driver in build out rates once detailed planning permission is granted. This is reflected in changes to the NPPF since its introduction in 2012 which seek to encourage different tenures and a number of different buyers markets such as purpose build student accommodation, build to rent, starter homes which in turn will encourage higher build out rates and can support the business plan of the multi-national housebuilders. This includes affordable housing. It has been found that "schemes with more affordable housing (more than 30%) built out at close to twice the rate as those with lower levels of affordable housing as a percentage of all units on site."<sup>20</sup>The homogeneity of housing delivery can also stifle the creation of different products and consequently markets and again stifle build out rates.

**6.24 Remediation costs.** In the council's experience, there is still a strong view amongst many landowners that remediation should be considered a legitimate development cost that should be netted off planning gain rather than land value. A landowner of a contaminated site still expects to achieve market value. This means that the only viable form of development is high density apartments that achieve enough yield to cover market value plus remediation, otherwise the site remains undeveloped, thus constraining supply. The inherent challenges could result in low quality developments that do not necessarily meet the city's housing need, or the site viability remains too risky for a developer to secure finance.

**6.25 Vacant properties.** A study undertaken in the mid-2010s by the North East Civic Trust identified that there was potential for up to 1,500 apartments in the vacant city centre spaces above commercial areas. Consequently, the council, working with housing associations to try to obtain government funding to address this opportunity, has found it incredibly difficult to release these spaces as the cost of converting often difficult/inaccessible spaces does not provide a viable yield. This is in part made more difficult by conservation issues. Feedback from developers and agents has identified that if there were to be some relaxation of the requirements inside buildings to retain existing layouts and some period features it may be possible to make these spaces economic for residential based redevelopment. This will become ever more pressing as

---

<sup>20</sup> "Start to Finish, What factors affect the build-out rates of large scale housing sites?"  
Second Edition, Lichfields

the current decline of the retail market leaves more and more potentially vacant properties in the city centre.

6.26 **Brownfield site constraints.** Large brownfield sites identified in the Plan have been delayed significantly as a result of remediation requirements, the infrastructure needed for access and utilities, whilst the sourcing of government funding can also cause significant delays. It is widely acknowledged that here are inherent delays associated with developing these sites compared to less complex construction on Greenfield land.

6.27 **Access to funding for developers.** It is difficult for small developers to access funding at sensible rates, either from banks or from private investors. As a result, new builds are released slowly as smaller developers often do not have sufficient working capital to work on (say) three houses at the same time. Larger developers can sometimes be vulnerable to this, particularly for more marginal areas or sites.

c) [Resources and capacity](#)

6.28 **Grant funding** - The uncertainty of funding has caused viability issues for the council's affordable housing projects. Delays are being experienced in the process of gaining funding from Homes England that would allow for the discounted sale or shared ownership of affordable self-build homes on land for self-builds and negotiations have not concluded.

6.29 **Labour, material shortfalls and high costs** - It is well documented that in the construction industry that there are significant labour supply shortages, with a significant reduction (nationally) of people joining the construction sector, many existing construction workers retiring early and a lack of relevant skills amongst existing construction workers in trades such as bricklayers, plasterers, architects and quantity surveyors, constraining the house building market. The Letwin Review identifies a shortage of bricklayers as being a particular cause of concern to the industry, needing urgent remedial action.

6.30 The ongoing shortage of materials and their increasing costs, along with labour issues are likely to impact in the future.

6.31 **Improving construction and environmental standards** - moving towards higher constructions standards specifically in relation to carbon emissions places requires upskilling of the entire workforce across the sector and for additional financing to meet new standards.

6.32 One example of this is when delivering of zero carbon Passivehaus housing that the (HDP) aspires to achieve in its next phase of schemes, it is resulting in more time spent liaising with contractors before going out to the market.

6.33 Additional well document constraints include:

- Funding cuts from central government
- Resourcing within planning departments
- Lack of sufficient engagement throughout the process

d) [Physical and environmental constraints](#)

York is characterised by a compact urban area surrounded by several small settlements. The compactness of the main urban area and the distinct settlement pattern is a key feature of the city.

- 6.34 York is located within a vale and at the confluence of two rivers. Development is restricted by flood plains and a mix of ground conditions ranging from heavy clay to sandy land. This can often result in the need for more expensive and complex foundations adding time to build programmes that can impact on the financial viability of sites and in the case of flooding, residential development will need to apply mitigation measures.
- 6.35 York is restricted from expansion beyond its urban edge by Green Belt identified primarily to safeguard the character and setting of the city. The city is unique in England with the only complete medieval city walls in England and its easily recognisable medieval street pattern, 2,000 years of unbroken urban development, rich and varied historic archives, the largest and grandest of northern Europe's Gothic cathedrals. It has one of the highest concentrations of designated heritage assets in England. It has well preserved and deep archaeological deposits. Taken together, this means the need to protect and enhance these assets necessitate the design and conservation policies provide a critical framework for discussions around site capacity, massing, density, heights and views.
- 6.36 York's Green Infrastructure includes nine Sites of Special Scientific Interest (SSSI); three of which (Strensall Common, the River Derwent and Derwent Ings) are also of international importance as indicated in the City of York Biodiversity Audit (2011).
- 6.37 The road network combines a series of main arterial routes leading to the compact historic city centre that is enclosed by the bar walls. The outer ring road is only partially dualled meaning both congestion and accessibility are factors that need to be assessed in the planning process. Funding streams for the northern part of the ring road have helped to plan for major improvements in future years that will allow for major planned housing developments to take place.



## 7) The Action Plan

- 7.1 The action plan will support more homes to be built in York but will not guarantee delivery against the HDT Measurement target for the reasons outlined in the previous section (Understanding key issues and barriers) as many of the factors are beyond the council's control or influence.
- 7.2 The areas within the council's influence will also require sufficient stakeholder engagement with landowners, agents and other stakeholders and partners in the delivery process such as Homes England.

### a) The planning process

1. **Corporate prioritisation of the emerging Local Plan Work to secure its adoption.** This will set a clear planning policy framework to give direction for future growth of the city. The issues surrounding the appropriate housing requirement for York will be addressed, the formal setting of the Green Belt boundaries will provide clarity on the land that can be developed outside the urban area.
2. **Introduction of the HDT to Duty to Cooperate (DtC) Meetings.** Ensure that the agenda for DtC meetings includes a discussion on the housing delivery and the housing delivery test. This will similarly apply to forthcoming work with the new North Yorkshire Council.
3. **Support clarity in decision making.** Complete a series of Supplementary Planning Documents (SPDs) are to provide specific guidance on the application of policies within the Local Plan. The series includes an Affordable Housing SPD and Climate Change SPD.
4. **Preliminary work to support applications.** The council is working with developers of strategic sites allocated in the emerging Local Plan to support and assist with work that will feed into the preparation of planning applications. These applications will only be submitted once the plan is adopted, and this work is intended to help bring forward submissions soon after the Local Plan's adoption.
5. **Enhance monitoring procedures.** Developers are now requested to complete a pro-forma that includes details of lead in times and housing delivery programmes whilst also being asked to add comments about potential delays that may be incurred in the delivery of their sites. This is intended to improve our ongoing monitoring work and assist in making more accurate housing projections. In turn this will have positive effects of future planning of requirements, for example, in predicting accurate additional school place requirements and transport modelling.

Should information be provided by developers that indicates potential delays to projects this can be flagged up to various teams within the council that may

be in a position to assist and work collaboratively to prevent sites stalling. This has been carried out on sites in the past where, for example, additional funding has been identified through Homes England and helped deliver homes in a timely manner.

The scope of the new permitted development rights for uses falling into Class E is significant and may result in a significant level of housing delivery via this route. The Council will monitor the impact of new permitted development rights, Class MA, on housing delivery.

- 6. Continue to implement the review S106 agreement process and conditions attached to planning permissions.** This exercise looked back over recent permissions at different points within the process and identified challenges in the planning application process that could simplify or streamline the process.
- 7. Improve engagement with developers, landowners, registered providers and university estates.** Continue to keep in regular contact with applicants of sites with 10 or more homes planned to confirm phasing and progress. Increase engagement via the council's Developers Forum and York Chamber of Commerce's Property Forum, to include housing cooperatives to support and facilitate cooperative and community housing schemes. Discuss the HDAP with developers at the bi-annual Developers Forum and ask for comment and ideas on the document as well as their ideas about local skills and resourcing.
- 8. Set out a clear process for determining whether an extra care site can be considered to be C2 or C3** so that this does not have to be reviewed for each application. This will be explored with colleagues across the council and in neighbouring authorities to determine an efficient mechanism to do this. Where appropriate greater clarity and guidance will be sought from central government.
- 9. Maintain the Brownfield Register.** The Brownfield register will be reviewed to identify suitable sites where appropriate.
- 10. Ensuring necessary infrastructure provision.** Secure funding and further improvements to the highways network, notably the outer ring road and around York Station and seeking and build on successful delivery of infrastructure programmes such as the improvements to the York Outer Ring Road completed in 2019.

b) [Organisational focus](#)

- 11. Develop a housing strategy.** The strategy will reflect who we are as the Strategic Housing Authority in York, what we do, why we do it, what our priorities are and how we interact/influence across all housing tenures.

**12. Supporting the deliverability of the Housing Development Programme.**

This programme is currently involved in the development and delivery of eight council owned sites for housing and actively provides affordable homes within the local authority area. The programme goes beyond the delivery of these eight sites and includes work to unlock grant funding and additional sites for affordable homes to meet different incomes across the City of York area as well as seeking to improve processes and skills across the city.

**13. Working in partnership on major regeneration sites.** The council is committed to working collaboratively and creatively on major regeneration sites such as Castle Gateway and York Central.

**14. Bring forward the council portfolio.** The council owns a number of commercial properties across the city centre that will be explored for their residential capacity in the coming years. An example of this is the building occupied by Holland and Barrett on Coney Street purchased by the council in 2019.

**15. Updating the process for identifying, preparing and selling of small custom-build and self-build sites.** The council is working through options to improve this process to reduce any potential VAT liabilities, improve timescales and bring forward the plot typologies that the data from the self-build register suggests York residents are looking for.

**16. Look at construction skills in the local economy.** Work alongside the economic growth team to understand local pressures related to existing construction skills and labour and identify objectives the council and stakeholders can move towards to improve the strength of the local construction industry.

**17. Consider the role and impact of Modern Methods of Construction (MMC) and modular building.** Work with local developers and explore their potential to improve delivery rates.

**18. Improve engagement with the public – residents, businesses and visitors.** An engagement project called, my city centre, is shaping a new long term vision for the city centre with local stakeholders providing. This exercise will provide greater clarity for all stakeholders as well as provide a starting point for initiating new projects and making applications for funding.

**19. Ensuring York is an attractive place to invest.** City of York Council is the sole shareholder of Make It York a commercial business that was established in 2015 to bring together the marketing and promotion, economic development and tourism functions of the city.