

Executive

24 November 2016

Report of the Director of Economy and Place

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

York Central – Consultation on Access Options

Summary

1. York Central is a 72 hectare (ha) area of land adjacent to the railway station and is one of the largest brownfield sites in northern England. It provides a huge opportunity for regeneration providing new homes and Grade A commercial office space. The site is identified in the Local Plan for residential development of up to 1,500 dwellings and 80,000 sqm floor space of high quality grade A office.
2. Informal public consultation to guide regeneration of the York Central site took place earlier this year through the 'Seeking Your Views to Guide Redevelopment' document. A York Central Community Forum has been established to engage with and represent the views of the local community as the site progresses. All this work will inform the development of a formal planning framework which can be updated to form a Supplementary Planning Document (SPD) on the adoption of the Local Plan Preferred Sites Consultation (2016). Work to establish the partnership, assemble the land and put in place appropriate funding arrangements is ongoing.
3. This report sets out a proposal to fund the access route using the West Yorkshire Transport Fund and to undertake further consultation on the route of the proposed new access.

Recommendations

4. Executive is asked :

- i. To agree to take up the WYTF funding allocated for York Central and to confirm that the York Central access route will be part funded by CYC.

Reason: - To ensure the delivery of York Central.

- ii. To agree to undertake further consultation on the access route for York Central as part of a future York Central planning strategy

Reason: - To ensure that a range of access options have been considered.

- iii. Subject to the council agreeing to join the West Yorkshire Transport Fund to agree to fund the access route definition and design outlined in the report from the £2.15 WYTF Gateway 1 allocation

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

- iv. To note the appointment of Development and Technical Advisors to develop a detailed planning strategy for the York Central Partners

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

Background

5. The York Central site is entirely circumscribed by rail lines, with the rail station at the bottom of the teardrop of land, the East Coast Main Line (ECML) forming a barrier to the north and east, and the Freight Avoiding Lines (FAL) to the south and west. Current roads onto the site already run through minor residential streets in the Salisbury Terrace area, or under the Marble Arch Rail Bridge and have limited capacity and low bridges, limiting access for high vehicles. They are not suitable to serve a comprehensive re-development of York Central. It is therefore necessary for a new route to be constructed.
6. There has been significant work undertaken over a number of years to identify access options to unlock the York Central site. A range of options to access the site were identified in study work (available at this [link](#)) and these are set out on a map at Annex 1. The majority of these routes would access the site from Holgate Road (options B-E) with one option to the north of the site on Water End (option A), and a further option from the South (option F), which is no longer deliverable due to

the subsequent creation of Network Rail's Route Operating and Workforce Development centre.

7. In 2014, a jointly funded Network Rail /CYC commission was undertaken to assess initial technical and commercial viability for the York Central development, including a draft spatial plan. Before working this plan into a draft Planning Framework/ Supplementary Planning Document (SPD), partners undertook an informal consultation on the high level concepts and principles - York Central - Seeking your Views to Guide Redevelopment.
8. This consultation, undertaken over January and February 2016, was based on a number of assumptions arising from the early work which were proposed as preferred options (types of use/green infrastructure/ route of proposed access road) with some variables where a range of options were consulted upon (potential diversion of Leeman Rd and the demolition of the Queen St Bridge, quantum of development). These assumptions were identified in order to arrive at robust conclusions, based on a deliverable scheme. They were:-
 - i. That there would not be a detailed master plan approach defining absolute detail and that the scheme would be phased over time.
 - ii. That there would only be one access point and that this would be a formative influence on the quantum of development and sustainable transport strategy.
 - iii. That the access route needed to be both deliverable and affordable in order to make the scheme viable – from the evidence at that time an access route off Holgate Rd along the line of Chancery Rise was proposed as the preferred route (Option E in Annex 1) but it was made clear that no formal decision had been made and that there would need to be further discussion and consultation before a final decision was made.
9. The early consultation results showed that there is clear overall support for the redevelopment, vision and objectives for York Central with 79% of respondents supporting the redevelopment of the site. Respondents noted the importance of realising the scheme quickly and targeting brownfield land for development.
10. The issue of the route of the access road was clearly one of the major contentious issues from the consultation and in August 2016 Network Rail and CYC undertook to meet with the local community to discuss their concerns in more detail. An initial meeting was held with representatives of The Friends of Holgate Community Garden and Play Park and the York Bridge Club, both of whom had made direct approaches regarding the proposed access road. One of their main

concerns was that they had not seen the evidence that led to the adoption of Option E as a preferred route and that they therefore had not had an opportunity to question this nor to put forward their detailed views on this important element of the overall scheme.

11. Following this consultation, CYC and Network Rail, on behalf of the partnership, commissioned an update of historic access appraisal work to ensure that the evidence base upon which a future decision will be made is comprehensive and reflects up to date costs and analysis to allow a like-for-like assessment. This work is ongoing, with consultants ARUP undertaking further air quality studies, transport modelling work and engineering costing.
12. Separately to this work around access option assessment, a land-swap was agreed between Network Rail and City of York Council (see plan at annex 2). Land held by CYC at the '5-Acres site' was transferred to Network Rail to allow them to relocate operational rail uses off the York Central development site, by creating a Maintenance Delivery Unit (MDU) building and providing new rail access to the adjacent carriageworks building. In exchange/ consideration for this land, Network rail transferred land east of the Carriageworks building (and in the location of the potential access option E) to CYC. It is important to note that:
 - The provision of MDU building and additional rail lines on the '5-acres site' does not fundamentally prejudice the provision of an access road over this land too.
 - Alliance House, which sits on the land transferred to CYC, was identified for demolition as part of the land transfer arrangement. This was due to its condition; it's being vacant and surplus to needs, and it representing a financial and physical liability to the Council.
 - Environmental surveys of this building are still ongoing and it is understood that no demolition will take place until these have been completed (spring 2017 at the earliest).
 - None of this activity, which is essential to the project as a whole moving forward, was predicated by, or determines, a formal decision around the access route into York Central.

West Yorkshire Transport Fund

13. The current assumption is that the access route onto York Central which includes an access road, a bridge across the rail lines and the main

crescent road round to the rear of the station, will largely be funded from the West Yorkshire Transport Fund (WYTF) which was agreed at Gateway 1 by the West Yorkshire Combined Authority on 31 March 2016, subject to CYC joining the WYTF.

14. The full financial arrangements for this funding are set out in another report on this agenda where Executive are asked to confirm CYC membership of this fund and our commitment to use this funding to construct the access route to York Central
15. This will provide considerable certainty to the development of the whole scheme as it overcomes the infrastructure investment requirements that have held the site back in the past.
16. A report recommending that Members formally sign up to the West Yorkshire Transport Fund is elsewhere on the agenda. In summary the WYTF is a £1bn programme of major transport improvements across West Yorkshire and York. The fund is supported by Local Growth Fund allocations and devolved major scheme DfT funding with a balance of circa 20% funded from Local Authority contributions. The York Central Access and Station Gateway scheme along with improvements to the Outer Ring Road are the two most significant York schemes included in the Fund.
17. At current year prices the total York Central Access Scheme was projected to cost £45m predicated upon CYC using £33m of WYTF funding and £12m of local funds. The project was split into 2 main elements: An access route from the local road network (including bridge over the rail lines), the main crescent road and an access to the rear of the railway station (£27.5m) and the demolition of the Queen St Bridge and the creation of an improved transport interchange at the front of the station (£17.5m).
18. The WYTF Gateway 1 sign off released £2.1m to CYC (subject to CYC joining the fund) to proceed with detailed scheme design and development. It is proposed that CYC now draw this funding down and use it to support the progression of further development and design work. It may be necessary to take a revised Gateway 1 submission back to the WYTF if the scheme design changes significantly. This has been discussed with the West Yorkshire Combined Authority and they are content with that approach.

Access Options

19. Initial studies developed 6 different potential access routes onto the site. Whilst one option (F), has been ruled out on feasibility grounds, 5 remain in contention. One route accesses the site from Water End to the North (Option A) with the remaining options accessing the site from Holgate Rd (Options B to E). Due to the high cost of each of these options, the identified need for public sector funding to support any redevelopment at York Central, and the fact that work to date indicates that development is serviceable and deliverable from a single additional point of access, there is an assumption that only one new route will be provided.
20. All routes need to cross the FAL or the ECML and there are differing levels of engineering complexity and therefore costs, and timings depending on how long the bridge/viaduct needs to be and where it lands.

Local Plan

21. York Central is identified as a Potential Strategic Mixed Use Allocation (ST5) in the emerging Local Plan. The Preferred Sites consultation 2016 (which ended in September and for which results will be brought back to Members later this year) identified residential development of up to 1,500 dwellings (1,250 of which would be built out over the plan period) and 80,000 sqm floor space of high quality grade A office led accommodation (Use Class B1a) at York Central. When set against the need to allocate sufficient land in York for a minimum of 8,000 dwellings for the plan period, the proposed plan period allocation of 1,250 dwellings at York Central clearly has significant potential to help address housing needs in York. The site will also help to remedy current shortfalls in modern, fit for purpose commercial development in the City Centre. Given the significance of the York Central site to the Local Plan both in terms of residential units and commercial floorspace it will be critical to the delivery of the Plan and the assessment of its soundness at Local Plan examination.
22. Sites identified in the Local Plan cannot have 'showstoppers', this includes environmental, transport, planning or viability and deliverability issues. It is therefore critical that all sites included within the Local Plan demonstrate that they are both viable and deliverable. This is a requirement of the National Planning Policy Framework (NPPF)¹ which states that '*Plans should be deliverable*' and '*to ensure viability the costs of any requirement likely to be applied such as affordable housing and infrastructure costs should, when taking into account of the normal cost*

¹ NPPF, Paragraph 173 and 174.

of development and mitigation, provide competitive returns to a willing land owner and willing developer to enable the development to be deliverable'.

23. To achieve this the strategic sites identified in the Local Plan have to:
 - Demonstrate that they can be accessed appropriately – normally through the identification of primary and secondary access points which may be refined through the planning application process;
 - Be accompanied by a transport assessment and travel plan which analyses traffic movements, journey flows and modal split; and
 - Provide information to demonstrate that the appropriate associated infrastructure can be funded within the overall site viability/deliverability assessment.
24. It is therefore important that the York Central scheme is able to demonstrate that all relevant access options can be delivered in financial and viability terms by the time the Publication Draft Local Plan is approved for consultation and submission. There is a need to demonstrate that there is a viable and affordable access solution but the exact alignment of the road can be developed as part of a planning strategy and will be consulted upon appropriately.
25. Community consultation is required as part of the preparation of Planning Frameworks, SPD's and Planning applications. The high level informal consultation already undertaken at York Central does not wholly satisfy these requirements and a continuous and robust programme of community engagement, incorporating statutory requirements and compliant with the adopted Statement of Community Involvement, is being planned for the site. This will need to evidence at appropriate stages that the case for the scheme is made and that the fundamental elements of the scheme have been shared with the public and stakeholders, that views have been considered and that these have fed into the development of the proposals as they evolve.
26. If Executive agrees to the recommendation to use WYTF to deliver the access route then CYC will be doing so as the statutory Local Highway Authority. The Local Highway Authority routinely consults on all new highways schemes. It is proposed that more detailed consultation is undertaken on access options to inform the final selection of an access route. The results of the consultation will weigh public views alongside other information relating to :-
 - i. Value for money and cost benefit
 - ii. Traffic impacts both city wide and locally for cars, buses and pedestrians/cycles

- iii. Deliverability – this will consider both the engineering complexity, the availability of land and the programming impacts of timing
 - iv. Environmental impacts including air quality, flooding, ecology, heritage, townscape and visual impacts
 - v. Community impacts
27. Given the need to ensure that the planning strategy for York Central is well considered and that all the supporting information is ready, the timing and the precise form of the consultation will be informed by the York Central Planning Strategy which is being developed by the York Central partners and informed by their advisors.
28. Executive are therefore asked to agree that further specific consultation on the access options is undertaken and to delegate to the Director of Economy and Place in consultation with the Leader the final sign off of the consultation.

Update on Project Progress

29. Negotiations with third parties to acquire land holdings as part of the strategic site assembly approach for York Central are nearing completion. The purchase of land off Leeman Road has been completed and the purchase of the Unipart site is included in a separate report on this agenda (part funded by the HCA).
30. The Memorandum of Understanding for the York Central Enterprise Zone was officially signed on the 8th July 2016.
31. Following a formal procurement process, consultants KPMG (with Savills as the property advisors) were appointed as the commercial and financial advisors to the partners. The commission is cliented by CYC but the advice will be relied upon by all the partners. This will lead to the establishment of a formal partnership structure.
32. A formal procurement process for Design and Technical advisers has just concluded and ARUP have been formally appointed. They will provide both design and technical input to create a detailed planning strategy, designs for key elements of the infrastructure. Importantly, the multi-disciplinary team will provide further evidence to underpin the Local Plan allocation of the site. This team will work closely with the York Central partners and KPMG/Savills as part of an iterative process.
33. Network Rail has begun lifting unused rail lines and ecological survey work has also commenced. A study exploring the feasibility and viability of District Heating Scheme to serve the site has been commissioned.

This is partially funded and commissioned through Leeds City Region. The findings of the study will feed into wider design and technical workstreams.

34. The National Railway Museum has commissioned a Heritage Audit for their land and property assets within the York Central site. The intention is to extend this report across the wider York Central site as part of the Design and Technical adviser appointment.
35. In April 2016, Department of Communities and Local Government announced a national Station Regeneration Programme through an agreement between Network Rail and Homes and Communities Agency to work closely with Local Authorities. The intention is to accelerate housing delivery and boost economic growth to regenerate town and city centres. York is one of three areas that have spearheaded this initiative with proposals for York Central.
36. CYC, Network Rail, Transport for the North and Virgin Trains East Coast are developing arrangements to work together to undertake an assessment of the future rail requirements of the station and develop proposals for the expansion and regeneration of the station which will provide a new gateway to the city and to York Central.

Consultation

37. The consultation issues are covered in the report

Council Plan

38.
 - i. The project will assist in the creation of a Prosperous City for All, and be a Council that listens to residents particularly by ensuring that :
 - ii. Everyone who lives in the city can enjoy its unique heritage and range of activities.
 - iii. Residents can access affordable homes while the greenbelt and unique character of the city is protected.
 - iv. Visitors, businesses and residents are impressed with the quality of our city.
 - v. Local businesses can thrive.
 - vi. Efficient and affordable transport links enable residents and businesses to access key services and opportunities.
 - vii. Environmental Sustainability underpins everything we do.
 - viii. We are entrepreneurial, by making the most of commercial activities.

- ix. Engage with our communities, listening to their views and taking them into account.

Implications

39.

Financial – The funding for this scheme is dependent on the council decision as to whether to join the West Yorkshire Transport Fund. A levy will be paid to the fund by the council to support the Local Authority borrowing. The funding for the levy will be considered as part of the overall council budget setting process.

Should Members decide not to join the West Yorkshire Transport Fund other sources of funding would need to be identified in order to progress the scheme.

Human Resources (HR) – none

Equalities – a full Equality Impact Assessment will be undertaken to inform the consultation plan

Legal – The Council's powers under the Highways Act 1980 and Localism Act 2011 may be used to undertake the actions proposed in this report. As identified in the related report elsewhere on this agenda legal agreements will be required relating to the terms upon which funding is taken.

Information Technology (IT) - There are no IT implications.

Crime and Disorder - The detail design of any future scheme will require detail consideration of crime and disorder implications and there will be structured input from the Police Architectural Liaison Officer

Property – All property implications are covered in the report.

Risk Management

40. The primary risk is the potential breakdown of the delivery partnership between the partners with a consequent failure to unlock the site. This has been addressed by the establishment of a senior level Board and formalised via a Memorandum of Understanding and is being mitigated by the revised governance arrangements which are currently being developed. It is expected that these will be embedded within the terms of a proposed partnership agreement.
41. If Members decide not to join the WYTF then alternative sources of funding will have to be found to fund the access route.

42. Failure to obtain the necessary regulatory approvals to dispose of land on the site for development or to clear operational railway uses from the site is another significant risk – this would prevent the development of the site in whole or part. Mitigation plans to date include the acquisition and extinguishment of long-term rail industry leases on the site by Network Rail and development of a strategy that identifies relocation sites for the rail uses. In addition, a rail land use strategy for York is being taken forward and it is believed this meets operator needs and Network Rail’s planned capacity improvement schemes. This issue is being mitigated by Network Rail prior to any infrastructure investment with a clear commitment under the proposed partnership agreement to remove rail uses from the site within a phasing plan to enable site development.
43. An obvious risk is of failure to secure planning permission – this is being mitigated by early involvement with CYC as local planning authority in the ongoing development plans and engagement of stakeholders and local communities at both concept stage and as detailed plans emerge.
44. There is a risk that the scheme may not attract development market interest or new occupiers. This risk has been mitigated by the proposed approach to infrastructure delivery, and further evidence gathering from our appointed advisors. In addition, the development of a delivery and marketing strategy and the award of Enterprise Zone (EZ) status will incentivise early business occupation.
45. There is a risk that CYC may not secure equity investment towards some of the costs of the enabling infrastructure. However, this will be mitigated by the EZ status and access to borrowing this brings. It will also be mitigated by early sign off of funding from HCA and a comprehensive gateway process for release of West Yorkshire Transport Funds (WYTF).
46. A full risk register has been developed by the project and will be regularly reviewed by the project board as the project progresses.

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Approved:
14/11/16

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All

For further information please contact the author of the report

Background Papers:

Seeking Your Views to Guide Development: Consultation Report (Arup June 2016)

https://www.york.gov.uk/downloads/file/11126/york_central_seeking_your_views_to_guide_new_development_consultation_report

[Archive of previous study material](#)

Annexes

Annex 1 – Map of potential access routes
Annex 2 – Map of the York Central Site

List of Abbreviations

CYC - City of York Council
EZ – Enterprise Zone
ECML - East Coast Main Line
FAL - Freight Avoiding Lines
HCA - Homes and Communities Agency
LCR - Leeds City Region
LEP - Local Economic Partnership
NRM - National Railway Museum
SPD - Supplementary Planning Document
WYTF – West Yorkshire Transport Fund
YC - York Central