

Corporate Services, Climate Change and Scrutiny Management Committee

18 March 2024

Report of the Corporate Director of Place

York Central Update

Summary

1. The Corporate Services, Climate Change and Scrutiny Management Committee have requested a further update on York Central, following the scrutiny meeting of 27 November 2023, because project partners were unable to attend and the preferred developer partner had not been announced at that time. This is a short covering report to introduce the item; the preferred developer partner is scheduled to attend the Scrutiny meeting, to give a presentation and verbal update, supported by project partners.

Background

2. The background to York Central was summarised in the November scrutiny report and covered in the accompanying presentation at that time. Further to that meeting the following updates should be noted:
 - Announcement by Homes England and Network Rail of McLaren Property and Arlington Real Estate as the preferred developer partner – 7 Dec 2023
 - Planning application for Government office hub validated 6 Dec 2023
 - Museum Square planning approval – 8 February 2024
 - The preferred developer partners have attended a number of meetings with officers / members including:
 - York Central Lead Members Group – 12 February 2024
 - Holgate Ward Committee – 6 March 2024

Consultation

3. The previous report detailed the significant community engagement undertaken over the period 2017/2018 as part of the preparation of the

access options report and outline planning application. More recently engagement was undertaken to inform the preparation of the Museum Square planning application in January / March 2023.

4. Progress updates via the <https://www.yorkcentral.info/> website were highlighted at the last meeting. Since November the following activity has been undertaken:
 - Residents Festival – information stand in St Helen’s Sq – 27/28 January 2024
 - Insider Breakfast at NRM with Development Industry Leaders – 27 February 2024 (CYC were represented on the panel by the Leader)
 - latest information available at: <https://www.yorkcentral.info/>

Options

5. This section is not applicable to this covering report as there are no options being presented to the Scrutiny meeting.

Analysis

6. This section is not applicable to this covering report as there are no options presented.

Current Position

7. The current position is summarised below and the preferred developer partner will cover this in more detail in their presentation to Scrutiny Committee.
8. The project has finally reached point where vision is set to become a reality, and the developer partner is certainly ambitious for the first phase of development.
9. Financial support – the council remains committed to supporting the delivery of the York Central access infrastructure with an agreed £35m contribution to the costs. This was originally approved by Executive in April 2022. There have been changes to the assumptions since that date around timing of delivery and interest rate assumptions, there has also been the Devolution Deal which confirmed that the benefits of the York Central Enterprise Zone status (local retention of Business Rates) would be continued for a further 10 year period to 2052. In January

2024 Executive was provided with an update to the financial modelling around business rate retention, which provided reassurance in relation to the assumptions made around the borrowing requirement.

10. As noted in Section 2, the recent timeline of activity at York Central includes:

- Announcement of Developer / Investor Partner – Dec 2023
- Planning application for Government office hub validated 6 Dec 2023 – now pending determination
- Museum Square granted planning consent – Feb 2024
- There has also been significant progress on site to deliver access infrastructure

Key future milestones are expected to include (NB dates are current estimates and are subject to change):

- Determination of Government Hub office Planning Application by CYC Planning Committee (due in the next two months)
- Submission of further reserved matters planning applications for phase 1 development – autumn 2024
- First key sections of new access infrastructure open – autumn 2024
- Completion of access infrastructure works – summer / autumn 2026
- First office occupation spring 2027

Council Plan / Local Plan

11. The delivery of York Central is key for the future of the city, providing a key economic growth component of the draft York Local Plan, as the location for office space (up to 88,000m²) and a site allocation up to 2500 new homes of which a minimum of 20% must be affordable over the life of the development.

12. The “One City, for all” 2023-27 Council Plan sets out 4 core commitments as well as clear priorities and the delivery of York Central will contribute to significantly to these, including:

Economy and good employment: A fair, thriving, green economy for all - York Central will provide over 1 million square feet of Grade A office space which will help local businesses grow within the city as well as attract inward investment from other locations, providing the growth needs of the city for the next 10 years. This will also help create 6,500 jobs, boosting the local economy in the city as well as supporting

graduate retention rates and offering more employment opportunities within the city, rather than people needing to relocate to find work. The development will also ensure that the world's largest railway museum can continue to grow and provide visitors with a world class experience.

Transport: Sustainable accessible transport for all

York Central will prioritise pedestrians and cyclists with excellent public transport, creating convenient and safe pedestrian and cycle access through the site to the city centre, railway station and surrounding communities and linking into citywide footpaths and cycle ways, to enjoy the wider York environment

Housing: Increasing the supply of affordable housing

Local people will benefit from the construction of up to 2,500 new homes across a range of types from first time buyer homes to homes for older people, 20% of which must be affordable. The provision of this number of homes can help to make York a more affordable place to live. In addition: there is a requirement for 5% of homes to be community / custom build; and a further opportunity for discussion with the preferred developer partner in relation to the small area of CYC owned land on York Central, and how this could help secure the delivery of more affordable homes on the site.

Sustainability: Cutting carbon, enhancing the environment for our future The project will deliver extensive new public spaces including a new public park for the city, supporting bio-diversity net gain and climate change adaptation.

Implications

13. There are no implications from this report as it is only a project update for Scrutiny at this stage.

Risk Management

14. This is an update report to Scrutiny only, with no decisions required.
15. This is a complex partnership project. A risk register is maintained by the delivery partners, which is actively managed through the project governance processes.

Recommendations

16. Corporate Services, Climate Change and Scrutiny Management Committee are recommended to receive the York Central update and preferred developer partner presentation.

Reason: To keep the committee updated on this key project for the city.

Contact Details

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Report
Approved



Date 07/03/24

Specialist Implications Officer(s) Not applicable

Wards Affected:

All



For further information please contact the author of the report

Background Papers Previous Executive Reports:

15 November 2017- York Central – Preferred Access Route and Preparation for Planning

15 March 2018 York - Central - York Central Access Construction

21 June 2018 - York Central Master Plan and Partnership Agreement

30 August 2018 - York Central Update - Western Access

29 November 2018 - York Central Enterprise Zone Investment Case

17 January 2019 - York Central Partnership Legal Agreement

18 July 2019 - York Central Partnership Update

24 October 2019 - York Central Update

23 July 2020 - York Central Update

22 April 2021 - York Central and York Station Gateway Update

21 April 2022 - York Central Enterprise Zone Funding Agreement