

**Notice of a public meeting of  
Executive**

**To:** Councillors Gillies (Chair), Aspden, Ayre, Brooks, Dew,  
K Myers, Runciman and Waller

**Date:** Thursday, 17 January 2019

**Time:** 5.30 pm

**Venue:** The George Hudson Board Room - 1st Floor West  
Offices (F045)

**A G E N D A**

**Notice to Members – Post Decision Calling In:**

Members are reminded that, should they wish to call in any item\* on this agenda, notice must be given to Democracy Support Group by **4:00 pm on Monday, 21 January 2019**.

\*With the exception of matters that have been the subject of a previous call in, require Full Council approval or are urgent, which are not subject to the call-in provisions. Any called in items will be considered by the Customer and Corporate Services Scrutiny Management Committee.

**1. Declarations of Interest**

At this point, 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 last Executive meeting, held on 20 December 2018.

### **3. Public Participation**

At this point in the meeting members of the public who have registered to speak can do so. The deadline for registering is **5.00pm on Wednesday, 16 January 2019**. Members of the public can speak on agenda items or matters within the remit of the committee.

To register to speak please contact the Democracy Officer for the meeting, on the details at the foot of the agenda.

### **Filming, Recording or Webcasting Meetings**

Please note that, subject to available resources, this meeting will be filmed and webcast, or recorded, including any registered public speakers who have given their permission. This broadcast can be viewed at <http://www.york.gov.uk/webcasts> or, if recorded, will be uploaded onto the Council's website following the meeting.

Residents are welcome to photograph, film or record Councillors and Officers at all meetings open to the press and public. This includes the use of social media reporting, i.e. tweeting. Anyone wishing to film, record or take photos at any public meeting should contact the Democracy Officer (whose contact details are at the foot of this agenda) in advance of the meeting.

The Council's protocol on Webcasting, Filming & Recording of Meetings ensures that these practices are carried out in a manner both respectful to the conduct of the meeting and all those present. It can be viewed at [http://www.york.gov.uk/download/downloads/id/11406/protocol\\_f\\_or\\_webcasting\\_filming\\_and\\_recording\\_of\\_council\\_meetings\\_20160809.pdf](http://www.york.gov.uk/download/downloads/id/11406/protocol_f_or_webcasting_filming_and_recording_of_council_meetings_20160809.pdf)

### **4. Forward Plan** (Pages 9 - 16)

To receive details of those items that are listed on the Forward Plan for the next two Executive meetings.

### **5. York Central Partnership Legal Agreement** (Pages 17 - 60)

The Corporate Director of Economy & Place and Director of Corporate & Customer Services to present a report which seeks Executive approval for the proposed Heads of Terms for a formal agreement between members of the York Central Partnership and for funding to undertake pre-construction site preparations.

- 6. A Clean Air Zone for York** (Pages 61 - 96)  
The Corporate Director of Economy & Place to present a report which sets out options and timescales for the improvement of emissions standards of vehicles operating on the local bus network.
- 7. Building More Homes for York - Removal of the HRA Borrowing Cap** (Pages 97 - 108)  
The Assistant Director of Housing & Community Safety to present a report which explains how the government's decision to lift the Housing Revenue Account (HRA) borrowing cap will enable the council to embark on an ambitious programme of housing development.
- 8. Discretionary Rate Relief Awards 2019-2021** (Pages 109 - 120)  
The Director of Customer & Corporate Services to present a report which provides details of new applications for Discretionary Rate Relief for the period from 1 April 2019 to 31 March 2021 and asks Executive to approve any new awards, based on cost and the available budget.
- 9. Discussion with North Yorkshire County Council to Explore Merging Coroner Areas** (Pages 121 - 134)  
The Director of Customer & Corporate Services to present a report which seeks approval to undertake discussions with North Yorkshire County Council (NYCC) to explore merging the City of York Council and NYCC coroner areas, at the request of the Chief Coroner and the Ministry of Justice.
- 10. Provision for Occupational Health** (Pages 135 - 150)  
The Director of Customer & Corporate Services to present a report which seeks approval to re-procure Occupational Health provision for the council following expiry of the current contract.
- 11. Urgent Business**  
Any other business which the Chair considers urgent under the Local Government Act 1972.

Democracy Officer:

Name: Fiona Young

Contact details:

- Telephone – (01904) 552030
- E-mail – fiona.young@york.gov.uk

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.

**This information can be provided in your own language.**

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 (Polish)  
własnym języku.

Bu bilgiyi kendi dilinizde almanız mümkündür. (Turkish)

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

 (01904) 551550

City of York Council

Committee Minutes

---

Meeting	Executive
Date	20 December 2018
Present	Councillors Gillies (Chair), Ayre, Brooks, Dew, K Myers, Runciman and Waller
In Attendance	Councillor Looker

---

## **Part A - Matters Dealt With Under Delegated Powers**

### **78. Declarations of Interest**

Members were asked to declare at this point in the meeting any personal interests not included on the Register of Interests, or any prejudicial or disclosable pecuniary interests, that they might have in the business on the agenda. No additional interests were declared.

### **79. Minutes**

Resolved: That the minutes of the Executive meeting held on 20 December 2018 be approved and then signed by the Chair as a correct record.

### **80. Public Participation**

It was reported that there had been five registrations to speak at the meeting under the Council's Public Participation Scheme, and one request to speak by a ward member.

Cllr Warters, Member for Osbaldwick and Derwent Ward, spoke on matters within the Executive's remit, referring to a question he had asked at Full Council on provision for standing at football matches and urging that standing space be provided at the new Monks Cross Stadium.

Emily Knight spoke on Agenda Item 5 (Planning for the Possibility of a 'No-deal' Brexit), on behalf of York for Europe. She expressed the view that such an outcome would be disastrous for York, criticised the lack of national planning and urged political parties to work collectively in the interests of all citizens.

Antje Ramming-Robinson, also a member of York for Europe, spoke on Agenda Item 5, as a German citizen resident in the UK. She recounted her own and others' negative experiences since the referendum and highlighted the detrimental effect that the departure of EU citizens from the UK would have on York.

Kate Ravilous spoke on Agenda Item 7 (A1237 Outer Ring Road – Dualling Update), on behalf of York Cycle Campaign. She queried the cost / benefit ratio of the project and Members to consider increasing the council's investment by £0.5m to provide segregated cycle routes.

Paul Hepworth also spoke on Agenda Item 7, on behalf of Cycling UK. He opposed the dualling proposals, on the grounds that they would increase traffic and congestion in the long term. A written copy of his comments was circulated to Members.

#### **81. Forward Plan**

Members received and noted details of the items that were on the Forward Plan for the next two Executive meetings at the time the agenda was published.

#### **82. Planning for the Possibility of a “No-deal” Brexit - Update**

The Head of Corporate Policy & City Partnerships presented a report which highlighted work undertaken by officers since the last update to Executive, on 18 October, to anticipate and prepare for the possibility of a 'no deal' exit from the EU.

Council officers continued to work with key partners and maintain a watching brief on information from a variety of sources, while Executive Members fed into discussions at a regional level. Reports from other authorities indicated a consistent view that the government had not yet provided sufficient clarity on the impact of a no deal Brexit, nor resources to mitigate this. Officers were assessing the 106 technical notices published by the government, focusing on those that would have a direct impact on its services and the work of city partners. Heads of Service would refine any necessary responses to create an action plan for delivery.

It was reported at the meeting that, since publication of the report, the vote due in Parliament on 11 December had been

cancelled and would now take place in the week commencing 14 January. The government had accelerated its preparatory work on a 'no deal' exit and was expected to provide further information which would assist the council's preparations. The government had also released £2bn funding, of which some might be made available to local authorities for their planning work.

With reference to matters raised under Public Participation, it was confirmed that officers would be looking at the support to EU citizens resident in York that could be provided under the EU Settlement Scheme outlined in paragraphs 33-37 of the report. The full scheme would be available before 30 March.

Resolved: That the discussions and activities under way be noted.

Reason: To ensure that York is as prepared as possible in the event of a 'no deal' Brexit.

**83. Rufforth With Knapton Neighbourhood Plan – Referendum Result and Adoption**

The Assistant Director of Planning & Public Protection and the Development Officer, Strategic Planning presented a report which informed Members of the outcome of the referendum on the Rufforth with Knapton Neighbourhood Plan (the Plan).

Executive had agreed on 27 September 2018 that the Plan should proceed to a referendum, which had duly taken place on 20 November. The Declaration of Results Poll attached as Annex A to the report confirmed that of the 276 residents (32.9%) who took part, 93% had voted in favour of the Plan and 7% had voted against it. The council was therefore required by legislation, as outlined in paragraphs 11-13, to 'make' the Plan – that is, bring it into force as part of the Development Plan – by 16 January 2019.

The Local Plan Working Group ( LPWG) had considered the Plan at their meeting on 18 December and advised that the Plan be 'made'; minutes of that meeting were circulated to Members.

The Chair thanked Rufforth with Knapton Parish Council for their work on the Plan and it was

Resolved: (i) That the results of the referendum be noted and that the Rufforth with Knapton Neighbourhood Plan be formally 'made'.

(ii) That the Decision Statement attached as Annex B to the report be published in accordance with Regulation 19 of the Neighbourhood Planning (General) Regulations 2012 (as amended).

Reason: To allow the Neighbourhood Plan to progress in line with the Neighbourhood Planning Regulations.

#### 84. **A1237 Outer Ring Road - Dualling Update**

*[See also under Part B]*

The Corporate Director of Economy & Place and the Head of Transport presented a report which provided an update on the progress of plans to increase the capacity of the A1237 Outer Ring Road and sought approval for proposed funding arrangements for the first stage and further development.

On 30 September, the Secretary of State for Transport had announced that upgrading a section of the A1237 would be one of the first schemes to be delivered using the new Major Road Network (MRN) fund, which would commence in April 2020. The report recommended that £2.8m (10% of the cost of the dualling element) be allocated in the council's capital programme as a match funding contribution and to enable further development of the dualling scheme.

The following options were considered, as detailed and analysed in paragraphs 37-40 of the report:

**Option 1** – progress the scheme, approve the request for match funding and progress the further development work before Programme Entry status is granted. This was the recommended option, as it would ensure maximum opportunity from the Minister's announcement and the MRN fund.

**Option 2** – as above, but progress further development work after Programme Entry status has been granted.

**Option 3** – suspend the bid for funding.

In response to matters raised under Public Participation on this item and questions from Members, officers confirmed that:



- The scheme included elements of cycling infrastructure and provided an opportunity to look at the impact of dualling on other routes adjacent to the A1237.
- The council had already adopted an overall cycling strategy, which would be aided by the extra funding for this scheme; a map of the city was available showing clearly the cycling routes proposed and existing gaps in provision.
- The cost / benefit rating of the scheme was 2.

The Chair and the Executive Member for Transport & Planning welcomed the proposals while acknowledging that more needed to be done, and it was

Resolved: (i) That Option 1 be approved and that local match funding be spent on the further development of the dualling scheme in advance of confirmation of funding from the Department for Transport.

(ii) That the Executive Leader issue a letter identifying the importance of a rapid decision on the funding request and supporting the simplification of the approval process.

Reason: To enable the delivery of a section of the A1237 to dual carriageway standard in the shortest possible time.

## **85. Construction Charter**

The Finance & Procurement Manager presented a report which sought approval to introduce a minimum standards charter for construction projects procured by the council.

In 2014, Trades Unions had initiated a campaign to raise standards of employment, health and safety for workers in the construction industry, since when many councils had adopted a minimum standards charter. Officers had established that York was already complying with the main principles of the Union of Construction, Allied Trades & Technicians (UCATT) charter. However, the publication of a formal set of agreed minimum standards would ensure that there were clear protocols in place for the procurement of construction work.

The proposed charter, attached as Annex 1 to the report, set out the standards expected for all contractors but was not so prescriptive as to prevent small and medium sized businesses from working for the council.

Resolved: (i) That the minimum standards charter attached as Annex 1 to the report be adopted.

(ii) That the council ensure that all existing and potential suppliers are made aware of the adoption of the charter.

(iii) That the council monitor performance of contractors against the standards contained in the charter.

Reason: To provide a clear statement of the way in which the council manages the commissioning and procurement of projects with the construction industry.

## **86. Social Value Policy**

The Finance & Procurement Manager presented a report which sought approval for a corporate social value policy, to communicate the council's approach to social value both internally and to external stakeholders.

The Public Services (Social Value) Act 2012 required all public bodies to consider how they might improve the economic, social and environmental well being of their area when buying services above a certain value. In the absence of a corporate social value policy, the council's current process of achieving this was variable.

The draft policy, attached as Annex 1 to the report, had been drawn up as an addition to the existing One Planet Council initiative. It set out the council's social value and inclusive growth priorities along with examples of how they could be achieved. An action plan had also been developed to create the guidance, training and other processes required to implement the policy.

Resolved: That the policy attached as Annex 1 to the report be approved.

Reason: To ensure compliance with the Social Value Act and ensure that the council has a clear and consistent approach to the delivery of social value through procurement.

## **PART B - MATTERS REFERRED TO COUNCIL**

### **87. A1237 Outer Ring Road - Dualling Update**

*[See also under Part A]*

The Corporate Director of Economy & Place presented a report which provided an update on the progress of plans to increase the capacity of the A1237 Outer Ring Road and sought approval for proposed funding arrangements for the first stage and further development.

On 30 September, the Secretary of State for Transport had announced that upgrading a section of the A1237 would be one of the first schemes to be delivered using the new Major Road Network (MRN) fund, which would commence in April 2020. The report recommended that £2.8m (10% of the cost of the dualling element) be allocated in the council's capital programme as a match funding contribution and to enable further development of the dualling scheme.

The following options were considered, as detailed and analysed in paragraphs 37-40 of the report:

**Option 1** – progress the scheme, approve the request for match funding and progress the further development work before Programme Entry status is granted. This was the recommended option, as it would ensure maximum opportunity from the Minister's announcement and the MRN fund.

**Option 2** – as above, but progress further development work after Programme Entry status has been granted.

**Option 3** – suspend the bid for funding.

In response to matters raised under Public Participation on this item and questions from Members, officers confirmed that:

- The scheme included elements of cycling infrastructure and provided an opportunity to look at the impact of dualling on other routes adjacent to the A1237.
- The council had already adopted an overall cycling strategy, which would be aided by the extra funding for this scheme; a map of the city was available showing clearly the cycling routes proposed and existing gaps in provision.
- The cost / benefit rating of the scheme was 2.

The Chair and the Executive Member for Transport & Planning welcomed the proposals while acknowledging that more needed to be done, and it was

Recommended: That Council approve the inclusion of match funding in the 2019/20 Capital Programme for dualling of the first phase of the A1237 Outer Ring Road, from the A19 through to the Little Hopgrove roundabout.

Reason: To enable the delivery of a section of the A1237 to dual carriageway standard in the shortest possible time.

Cllr I Gillies, Chair

[The meeting started at 5.30 pm and finished at 6.25 pm].

**Forward Plan: Executive Meeting: 20 December 2018**

**Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 14 February 2019**

Title and Description	Author	Portfolio Holder
<p><b>A Cultural Strategy for York</b>  <b>Purpose of Report</b>                      An extensive engagement exercise has produced a seven year development plan to ensure that:</p> <ul style="list-style-type: none"> <li>• York will be internationally recognised for its exceptional heritage and unique arts offer.</li> <li>• Residents and businesses in York will benefit from York’s unique cultural offer, leading to greater investment and participation in the city.</li> <li>• The cultural offer for York’s residents will be expanded beyond the city centre.</li> <li>• All citizens, irrespective of age or background, will be proud to be engaged with York’s arts and heritage offer, which will include a wide range of inclusive opportunities.</li> </ul> <p>Executive will be asked to: approve the plan.</p>	<p>Charlie Croft</p>	<p>Executive Member for Culture, Leisure &amp; Tourism</p>
<p><b>Consideration of the Objections Raised to the Proposed Loss of Public Open Space at Rowntree Lodge, Rowntree Park</b>  <b>Purpose of Report</b>                      To present the objections raised to the proposed loss of public open space at Rowntree Lodge, Rowntree Park in respect of the proposal to convert the upper two floors of the Lodge into holiday let accommodation, and to update the financial business case for the proposal.</p> <p>Executive will be asked to: consider the objections raised and the revised business case and grant approval to continue with the proposal that they previously endorsed, to convert the upper two floors into holiday let accommodation.</p>	<p>Nick Collins &amp; Dave Meigh</p>	<p>Executive Member for Economic Development and Community Engagement</p>

Title and Description	Author	Portfolio Holder
<p><b>Placement Review – Foster Carer Review</b>  <b>Purpose of Report</b>            To provide an update and recommendations relating to the Placement Review, which is focused on the sufficiency of placements for children in care, outlining the intended approach to meet this sufficiency by retaining and recruiting more foster carers and procuring other provisions.</p> <p>Executive will be asked to: consider proposed changes to the foster carer additional allowances and options for other provision.</p>	William Shaw & Sophie Keeble	Executive Member for Education, Children & Young People
<p><b>Capital Programme 2019/20 to 2023/24</b>  <b>Purpose of Report</b>            To present the capital programme, including detailed scheme proposals.</p> <p>Executive will be asked to: recommend the proposals to Full Council.</p>	Emma Audrain	Executive Leader (incorporating Finance & Performance)
<p><b>Financial Strategy 2019/20</b>  <b>Purpose of Report</b>            To present the Financial Strategy, including detailed revenue budget proposals.</p> <p>Executive will be asked to: recommend the proposals to Full Council.</p>	Sarah Kirby	Executive Leader (incorporating Finance & Performance)
<p><b>Treasury Management Strategy Statement and Prudential Indicators</b>  <b>Purpose of Report</b>            To set out the treasury management strategy, including the annual investment strategy and the minimum revenue provision policy statement and prudential indicators.</p> <p>Executive will be asked to: recommend the strategy to Full Council.</p>	Debbie Mitchell	Executive Leader (incorporating Finance & Performance)

Title and Description	Author	Portfolio Holder
<p><b>Capital and Investment Strategy</b>  <b>Purpose of Report</b>            To set out a framework for all aspects of the council's capital and investment expenditure, including prioritisation, planning, funding and monitoring.</p> <p>Executive will be asked to: recommend the strategy to Full Council.</p>	Debbie Mitchell	Executive Leader (incorporating Finance & Performance)
<p><b>Revised Housing Revenue Account (HRA) Business Plan</b>  <b>Purpose of Report</b>            Following the report to the Executive in July 2018 and the intention to appropriate the general fund sites into the HRA to build housing, there is a need to revise the business plan to ensure that it reflects the ability to build the sites out.</p> <p>Executive will be asked to: approve the revised HRA Business Plan.</p>	Tom Brittain & Patrick Looker	Executive Member for Housing & Safer Neighbourhoods
<p><b>Q3 2018-19 Finance &amp; Performance Monitor</b>  <b>Purpose of Report</b>            To provide an overview of the council's overall finance and performance position at the end of Quarter 3.</p> <p>Executive will be asked to: note and approve the report.</p>	Debbie Mitchell & Ian Cunningham	Executive Leader (incorporating Finance & Performance)
<p><b>Q3 2018-19 Capital Programme Monitor</b>  <b>Purpose of Report</b>            To provide an overview of the council's overall capital programme position at the end of Quarter 3.</p> <p>Executive will be asked to: note and approve the report.</p>	Emma Audrain & Debbie Mitchell	Executive Leader (incorporating Finance & Performance)

Title and Description	Author	Portfolio Holder
<p><b>The Guildhall Redevelopment Tender Evaluation &amp; Project Business Plan Appraisal</b></p> <p><b>Purpose of Report</b> To present the outcome of the Guildhall redevelopment contract tender and a revised business plan</p> <p>Executive will be asked to: consider the report contents and revised business plan in order to determine a revised budget and consider the appointment of a contractor to undertake the redevelopment of the Guildhall.</p>	David Warburton	Executive Leader (incorporating Finance & Performance)



**Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 14 March 2019**

**None**

**Table 3: Items Slipped on the Forward Plan**

Title & Description	Author	Portfolio Holder	Original Date	Revised Date	Reason for Slippage
<p><b>The Sale of Land to Facilitate the Transfer and Transformation of Haxby Hall Care Home</b></p> <p><b>Purpose of Report</b> To update Members on the outcome of the procurement process for a care provider for the Haxby Hall care home, and to seek approval for the provider to be granted a 125 year lease for the site.</p> <p>Executive will be asked to:</p> <ul style="list-style-type: none"> <li>• Note the appointment of the Preferred Bidder as the new provider.</li> <li>• Note that the provider will enter into a contract to provide 9 residential beds for people living with dementia for 10 + 5 years at Actual Cost of Care at the Haxby Hall site.</li> <li>• Agree to grant the provider a long lease of the site for a term of 125 years in return for the Council receiving payment of a premium to enable the provider to improve, redevelop and transform the existing care home.</li> </ul>	Tracey Carter & Vicky Japes	Executive Leader (incorporating Finance & Performance)	17/1/19	tbc	This item has been withdrawn from the Forward Plan to await the completion of negotiations on multiple pieces of land prior to submission of the report.

<p><b>Housing ICT Programme – Sign Off for Chosen Housing ICT Solution Contract</b></p> <p><b>Purpose of Report</b></p> <p>To set out the proposed chosen IT solution that has been selected as part of the full Housing ICT Programme procurement process for a replacement Housing and Building Service ICT system, including a summary of the tender process, who submitted bids, and a summary of overall scores.</p> <p>Executive will be asked to: sign off for signing of a 5-year contract with a chosen supplier for a contract value over £500,000.</p>	<p>Daniel Keenan</p>	<p>Executive Member for Housing &amp; Safer Neighbourhoods</p>	<p>17/1/19</p>	<p>n/a</p>	<p>This item has been withdrawn as the matter has already been approved as part of the current capital programme and does not need further consideration by the Executive.</p>
---	----------------------	--	----------------	------------	--

<p><b>Variation of Shareholders' Agreement Relating to YPO Procurement Holdings Limited</b></p> <p><b>Purpose of Report</b></p> <p>The Directors of YPO Procurement Holdings Limited have requested changes to the shareholders' agreement. These require approval of all 13 Councils who are party to the agreement. In summary the changes will, if approved, remove a number of matters from requiring the unanimous consent of the shareholders, but ensure those matters still require the consent of two-thirds of the shareholders. They will alter the quorum for directors' meetings and clarify notice requirements for general meetings.</p> <p>Executive will be asked to: approve the proposed changes.</p>	<p>Andrew Docherty</p>	<p>Executive Leader (incorporating Finance &amp; Performance)</p>	<p>17/1/19</p>	<p>14/1/19 – Decision Session of Executive Leader</p>	<p>As this decision is non-key, it is considered that the decision should be made by the Leader as the relevant portfolio holder for this area.</p>
--	------------------------	---	----------------	---	---



---

**Executive****17 January 2019**

Joint report of the Director of Economy and Place and the Director of Corporate and Customer Services

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

**York Central Partnership Legal Agreement****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, see plan at Annex 1. It provides a huge opportunity for regeneration providing new homes, Grade A commercial office space, an enhanced National Railway Museum and a range of new public spaces and facilities.
2. The scheme is being promoted by the York Central Partnership (YCP) which is made up of Network Rail (NR) Homes England (formerly the Homes and Communities Agency or HCA), the National Railway Museum (NRM) and the City of York Council (CYC).
3. The council has been instrumental in breaking the deadlock of decades and bringing forward York Central for development and the council has worked positively with partners to ensure that the development will deliver benefits to the people of York and will continue to be shaped by extensive public engagement. As the principal conduit for infrastructure funding and through its statutory roles as Local Planning Authority (LPA) and Highways Authority (HA) the council has significant influence and control over key future decisions and will continue to represent the views of the people of York in all partnership discussions.
4. This report sets out the proposed Heads of Terms for a formal agreement between the above partners, to be developed into a legal contract prior to the commencement of infrastructure construction. The report also requests the allocation of £6.25m to commence the first phase of site preparation works ahead of the construction of core infrastructure. £5m of this is subject to the award of planning permission and the award of external grant funding.

5. The report also sets out some early work being undertaken to ensure that York Central delivers significant social economic and environmental benefits for the whole city, including the development of business cases for housing delivery and economic development work with both universities. As part of the future delivery arrangements the report also proposes a revised approach to future community engagement.

### **Recommendations**

6. Executive is asked :-
  - i. To agree the Heads of Terms for the York Central Partnership legal agreement and delegate to the Director of Economy and Place and the Director of Corporate and Customer Services to take such steps as are necessary to enter into the legal agreement.
  - ii. To commit £1.25m of the £155m York central capital budget, funded initially from CYC capital budget to undertake pre-construction site preparations, including telecommunications mast and rail line relocation and site segregation from the operational railway and bridge agreements with Network Rail as set out in paragraph 40.
  - iii. To commit a further £5m of the £155m York Central capital budget, to be funded from Housing Infrastructure Fund, subject to planning and external funding awards, to commence the enabling works including site clearance, utility diversions, Millennium Green preparation as set out in paragraph 42-43.
  - iv. To acknowledge that a further report will be brought back to Executive to agree the submission of the reserved matters planning application and commit the capital budget for the delivery of the Phase 1 infrastructure, including bridge access onto the site, new spine road, drainage, construction of an additional pedestrian and cycle deck onto Severus Bridge and construction of a new rail connection between the NRM and the East Coast Main Line, subject to the award of Outline planning permission for the scheme and the final agreement of the external grant funding from both the West Yorkshire Transport Fund (WYTF) and the Housing Infrastructure Fund (HIF).

Reason: - To ensure the delivery of York Central and to provide funding for enabling infrastructure including a new access route to York Central within the timescale of available grant funding

- v. To receive a further report setting out proposals for economic development on York Central
- vi. To agree to the preparation of a business case for the council to acquire affordable housing on York Central as part of the first phase of residential development.
- vii. To agree to the development of proposals for the next phase of community engagement and acknowledge that a report will be brought to Executive to seek financial support for community groups to develop capacity to engage

effectively with YCP with a view to active engagement to deliver social and economic benefits

Reason; To ensure that the social, environmental and economic benefits of York Central are delivered and are strongly influenced by community engagement.

## **Background**

7. The delivery of York Central is essential to the growth of York, contributing significantly to the growth of the regional economy, through the provision of high quality office space, and to meeting housing need in the city. Though the site has been earmarked for regeneration for many years, previous attempts to deliver the scheme have not come to fruition and we are now poised to seize this once in a lifetime opportunity to make this development a reality and to ensure that the development also meets the broader social, economic and environmental needs of the city.
8. York Central Partnership (YCP) is a partnership of landowning bodies on the York Central site and is comprised of Network Rail, Homes England National Railway Museum and CYC. Over the last 3 years YCP have developed a comprehensive masterplan for the 72 ha site and are currently awaiting the determination of an outline planning application for the 45ha main site to the west of the railway station, which will deliver up to 112,000 sq m of commercial space and up to 2500 homes as well as a large park, public squares and an expanded Railway Museum (over a net developable area of c25ha). Delivery of the site is central to the Strategic Economic Plans (SEPs) for both Local Enterprise Partnerships (LEPs) and has enjoyed wide spread national and regional support with it's designation as both a Housing Zone and an Enterprise Zone.
9. Extensive local consultation and engagement has been undertaken ahead of the planning process which has shown significant support for the scheme despite its many challenges. Previous attempts by the market to bring a scheme forward on this site have floundered and, given the unique risk profile of the site, it will require public sector leadership and ownership to bring the site forward for development.
10. There have been a number of developments which have finally enabled the scheme to be brought forward :-
  - i. The establishment of the York Central Partnership bringing together all the public sector land owners
  - ii. Assembling the land for redevelopment and commencing the clearing of operational rail use

- iii. Establishment of Housing Zone Status which has brought investment from Homes England to support the delivery of housing on the site.
  - iv. Establishment of the Enterprise Zone which brings with it the potential to retain the additional business rates generated from the site to allow investment in delivering economic growth on the site.
  - v. Securing significant enabling funding from a range of government agencies including the WY+TF, YNYER LEP, Leeds City Region LEP, the One Public Estate Programme, Homes England and the Ministry of Housing, Communities and Local Government (MHCLG).
11. An Outline Planning Application is under consideration by the Local Planning Authority. Detailed assessment work is underway and public consultation is ongoing as the large amount of supporting technical information is reviewed with a view to consideration by planning committee in early March 2019. This is a very large application with significant technical detail; all Statutory Consultees have been actively engaged for many months and the applicants' team are working to resolve any outstanding matters prior to determination.
12. The York Central Partnership has been an informal partnership working jointly to deliver the scheme and all partners have already made significant investments at risk. Network Rail has already spent £4.4m on land assembly and rail clearance. Homes England has committed £18.9m towards land assembly and has contributed a further £200k towards the planning costs of the site. In addition Homes England is investing heavily in the establishment of a dedicated delivery team. Though some of this investment is backed by asset acquisitions these will not be realised unless the scheme is developed out so are "at risk" at this stage.
13. The NRM have spent £1.14m on the master planning of their museum development scheme and they continue to fundraise. As an important cultural anchor they will continue to help shape the overall scheme and integrate their plans with the development of York Central, but their role differs from the major land owners NR and Homes England and from the Council as the custodian for a new part of the city and an enabler of the future scheme. As a Charitable organisation, NRM cannot undertake any development activity on non-Museum land, so NRM will not share in either the York Central development costs or receipts. The NRM have disposed of their surplus land assets to the Homes England in order to integrate them into the overall scheme and facilitate the early phases of their £50m development plans.

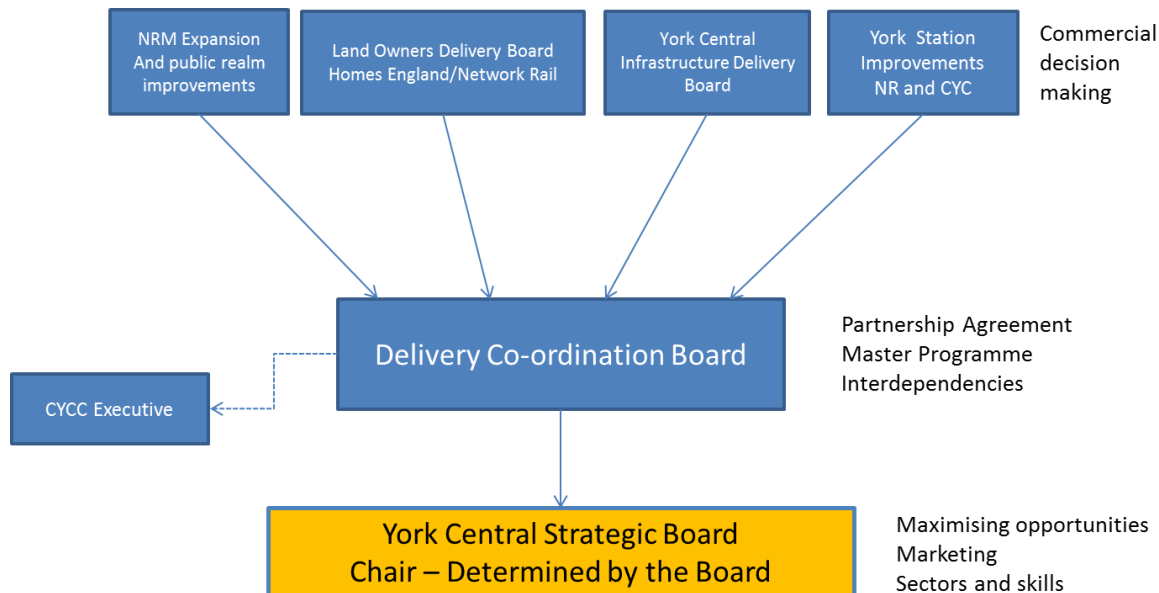


## **Partnership Heads of Terms**

14. In June 2018 the York Central partners agreed a Memorandum of Understanding (MoU) to detail these joint commitments and move towards a more formal contractual agreement. These broad commitments have been worked up into heads of terms which outline how partners will operate in future as York Central moves into delivery, how the partnership will be governed and critically how the financial and land investments will be contributed and how financial returns will be shared by the partners. It sets out how the quality of the scheme will be delivered and monitored in the long term. The proposed Heads of Terms are set out in Annex 2.
15. In addition to the partnership legal agreement, the Council will also be able to influence and shape the scheme through use of its statutory powers as Planning Authority and Highways Authority. The council will also have opportunities for direct investment and development on the site through its work on city wide partnership development, community engagement, investment and economic development.
16. The council will continue to have a very important and influential role in the future development of York Central despite owning only 5% of the land on the site and the terms of the York Central Partnership legal agreement will provide high levels of confidence that the financial support that the council has made to bring the scheme forward will ultimately be repaid in full and, should the scheme be very successful, that future development uplift will be retained in the city with a potential return to the council of up to £77.1m for future housing funding and up to £110m to fund the EZ backed borrowing of £35m. In theory this could bring a max additional receipt of c£130m over the 25 years of the EZ into the council, once all up front investment has been repaid, although this is entirely subject to the successful development of the scheme and the prevailing economic conditions.

## **Governance**

17. The Heads of Terms set out proposed governance arrangements for the project as it moves into the delivery phase - an appropriate time to review and evolve the existing governance arrangements to ensure coherent delivery across a large programme of interdependent projects, including the front of York Railway station and the station itself. This is represented diagrammatically below.



18. The **Executive** will agree the sign off of funding for all future infrastructure packages, and where CYC are the delivery agent Executive will sign off designs for the submission of planning applications for that infrastructure. The council will sign off funding agreements with WYCA and HIF and as Accountable Body for those grants will oversee the delivery programme and the YCP legal agreement.
19. This is entirely separate from the council's statutory functions as both Local Planning Authority (LPA) and Highways Authority. All planning decisions will be undertaken by the LPA and the **Planning Committee** is not constrained by any decisions of the Executive to submit planning applications or agree the York Central Partnership Agreement.
20. The **York Central Strategic Board** will be constituted from senior representatives of all partner organisations and both LEPs and will meet at least quarterly. They will determine the chair and will be responsible for :-
- Oversight and promotion of the scheme
  - Maximising opportunities
  - Ensuring Strategic fit
  - Sectors and skills development
  - Advocating for the scheme
  - Oversight of the promotion and marketing
  - Leading effective decision making within their organisation
21. The **Delivery Co-ordination Board** includes senior representatives of all partners and will be responsible for :-
- Delivering the commitments set out in the York Central Partnership legal agreement
  - Ownership of the Master Programme, cost and quality benchmarks as set out in the York Central Partnership legal agreement

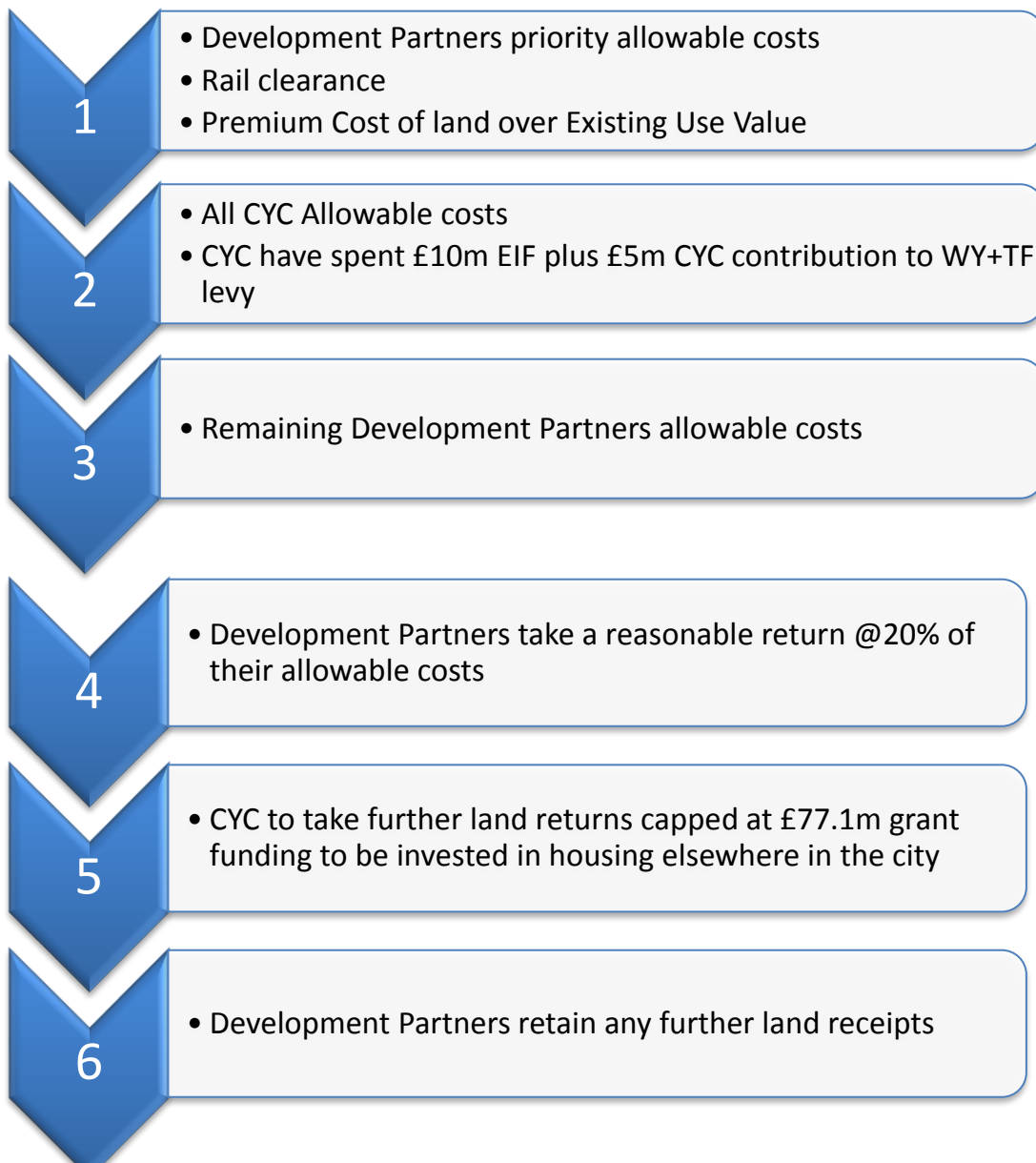
- c. Baseline off plot infrastructure cost plan – agreed quality standard and extent
  - d. Coordinating agreement of the delivery of future infrastructure packages
  - e. Baseline development appraisal
  - f. Proactive reporting from each of the “projects” on deviation from all the above, early identification of issues affecting the critical path
  - g. Manage interdependencies
  - h. Programme assurance and independent reporting to the Strategic Board
22. There will be a series of individual **project boards** which will all feed into the Delivery Co-ordination Board and will be individually responsible for reporting to funding bodies and providing project assurance
- Infrastructure Delivery – led by CYC
  - Front of Station and Station Board overseeing the works to the front of and including the railway station led by CYC and NR
  - Development Partners – led by Homes England and Network rail
  - NRM masterplan project

### **The Partnership Agreement Financial Mechanisms**

23. The YCP is constituted entirely of public sector bodies and is being enabled using significant public grant and business rates-backed borrowing. It is therefore not like a conventional commercial development partnership. Due to the high cost of enabling infrastructure required, public sector leadership and significant grant funding are needed to bring the scheme forward. Without this the scheme is not viable. In this context each partner needs to ensure that the costs they have incurred are recovered and that if there is then any surplus that the level of effort they have put into the scheme and the level of risk they have taken over many years is recompensed in the context that they are each public bodies. This is not a short term scenario and the ultimate commercial returns of the scheme will not be known for up to 15 years.
24. For the city of York it is also essential that York Central delivers sustainable city growth and social economic and environmental benefits for existing residents and businesses and that this growth can be reinvested into the city for the longer term prosperity and well being of the city. Through partnership working to date all partners have abided by the principles of fairness, openness and transparency with a combined approach to sharing the risks and sharing any future financial upside.
25. CYC is the recipient of, and the Accountable Body for, the entire grant funding for the site and is the responsible body for the Enterprise Zone. This means that we are able to undertake prudential borrowing to fund the infrastructure which will be repaid from future business rates. In addition CYC have invested

£10m from the Economic Infrastructure Fund to undertake early feasibility and master planning work at risk and have contributed £5m of funding as part of the WYTF levy.

26. The major landowning partners, Network Rail and Homes England have assembled the land from third parties, including the NRM, and between them expect to incur circa £55m on site acquisition and clearance of operational rail use. They have entered into a Collaboration Agreement to combine their land holdings and to act as master developers for the site. This means that they will be responsible for bringing plots to market, seeking development partners and ultimately realising the land value from the site.
27. The following mechanism is proposed to set out how development costs will be recovered by all parties from land receipts. As land is sold for development the funds will be distributed to partners in the following priority:



28. As plots of land are disposed of by Homes England and Network Rail for development, the money will be distributed as per the priorities set out above. The total potential land value will be driven by a number of changing market forces over the next 15 years so it is impossible to accurately predict the likely value of land receipts but, from development appraisals done to date based upon conservative and prudent estimates, there is a strong likelihood that this model will enable CYC to recoup its' upfront investment costs, assuming that the scheme is successfully developed out.
29. In agreeing both the £10m EIF funding and the £5m contribution to the WYTF CYC has not made any assumptions that these would be repaid in financial strategy reports so this repayment mechanism is an improvement on the financial assumptions made to date and significantly mitigates the risks identified in the November 2018 report regarding the EZ backed borrowing.
30. If the scheme is hugely successful this model will recycle up to £77.1m of HIF grant funding back into the city, for investment in housing elsewhere in the city.
31. This model also enables Homes England and Network Rail to recoup their up front investment and if the scheme is successful to make a reasonable developer return on that investment. This is capped at 20% of their allowable costs. This level of return and the recycling of increased land values above that level into CYC are both prescribed by the HIF funding terms. This gives a clear route to reinvest Central Government grant money into the local area rather than allowing large profits to be drawn away from York.
32. In addition, as part of the Enterprise Zone, CYC will retain 50% of the business rates that would normally be returned to Central Government. As set out in the November 2018 Executive report, modelling shows that with prudential assumptions as to the speed and scale of build out of the commercial elements of the scheme this should be sufficient to repay the £35m of EZ backed borrowing to be undertaken by CYC.
33. If the scheme is very successful there will be more business rates generated than are needed to repay borrowing. Any surplus business rates income will be available for investment in economic development in the York area (decisions to be undertaken in conjunction with the sponsoring YNYER LEP).
34. The most ambitious scenario modelled would see Business rates income of £109m which would repay the borrowing and leave and create a surplus of £52m for investment in economic development in the city.
35. Thus it can be seen that if the scheme is successful, the city stands to gain significantly, with the scheme generating future funding for both housing and economic growth elsewhere in the city. This could total up to £123m over the

next 25 years (a £52m potential surplus EZ business rate income plus the local retention of the £77m HIF grant).

36. The YCP Partnership Agreement will protect the financial interests of the council and should see the repayment of all CYC investment as the scheme is built out. There will of course remain the risk that land values do not achieve targeted levels and land sale receipts are therefore not sufficient to repay all partner costs. CYC have already budgeted for the £15m of development and transport costs (£10m EIF and £5m WYTF levy) and the risks of the scheme not generating enough business rates to repay EZ borrowing were covered in the November 2018 report. This scenario is mitigated by the Heads of Terms as they commit partners to bringing commercial plots to market in a timely manner. The Partnership Agreement will also have a mechanism for revisiting the masterplan should demand for commercial space be less than that set out in the masterplan.

### Delivering the first Phase of Infrastructure

37. In December 2018, Full Council established a budget totalling £155m to fund core abnormal site infrastructure on York Central and allow viable development to proceed. This will be funded by a combination of external grants, contributions, previously agreed approvals and also significant new borrowing. Funding decisions are expected by WYTF in February (£23.5m) and by MHCLG for the Housing Infrastructure Fund by March 2019 (£77.1m).
38. The total cost of the infrastructure to bring the site forward is £155m, but this spend is phased over approximately 5 years and will use grant funding first before any EZ backed borrowing is undertaken. The full investment case was set out in the November 2018 Executive report. The indicative breakdown of the key elements of the infrastructure scheme are as follows

Table 1 Total Infrastructure Costs

	£'000
Enabling Works including site clearance, early demolitions, utility diversions, Millennium Green preparation	11,200
Phase 1 Infrastructure including bridge access onto site, new spine road, drainage	75,800
New Park	19,000
Museum Square and Boulevard	14,400
Southern Access to Site	4,800
Compliant Station Access	3,200
Full Western Station Entrance	17,400
Leeman Road Tunnel, Marble Arch Link	1,700
Leeman Road East	700
Utilities into site	6,800
<b>Total Infrastructure</b>	<b>155,000</b>

39. In order to achieve the programme of spend within tight funding deadlines it is essential to commence the construction of the first phase of infrastructure in mid to late 2019. This requires early site preparation work to commence in March/April 2019 whilst CYC procure a construction partner to be in place by July 2019. Early enabling works are necessary to de-risk delivery both in giving confidence to a construction contractor that the site is ready for construction, to ensure that time / seasonal critical operations are carried out at the correct time of year and within the period set out in the agreement made with the Millennium Green Trust.

40. This report therefore seeks for the release of £1.25m of the overall York Central capital budget to fund the early site preparation works set out below.

- Rail bridge agreement for infrastructure design and construction
- Site fencing and safety works to separate the development site from the operational railway
- GSM Telecomms Mast relocation
- Sidings and overhead line relocation
- Further seasonal ecological surveys
- Site clearance of scrub

41. This work will be undertaken ahead of planning and grant decisions and will hence be at risk. It will be funded from the remaining £4.662m of EIF funding already agreed. This will increase abortive costs should the scheme not go ahead but failure to commence site preparation would have an impact on the overall construction timetable and this is judged to be an acceptable level of additional risk and remains lower than other partners' financial risks.

42. Further enabling works including site clearance, early demolitions, utility diversions, Millennium Green preparation are also on the critical path to delivery but cannot commence until planning permission has been secured and funding agreed from both WYTF and HIF. It is therefore recommended that a further £5m of the York Central Capital budget is agreed to fund enabling works subject to planning and funding decisions.

43. A detailed breakdown of these enabling works is set out in the table below.

<b>Works</b>	<b>£'000</b>
Utilities disconnections / diversions	120
Asbestos removal	150
Building demolitions	660
Slab removal / crushing for re-use	2,180
Site clearance / preparation and levelling	770
Off site disposals of surplus material	440
Ecology	100
Fees	580
<b>TOTAL</b>	<b>5,000</b>

44. A further funding request for the first phase of infrastructure will be brought back to Executive in March 2019 along with the detailed infrastructure designs and a decision to submit these as a Reserved Matters planning application. As the scheme goes forward this will be followed by further Executive reports to draw down funding and agree delivery arrangements for the remaining infrastructure packages.

### **Securing the Social and Economic Benefits of York Central**

45. The council plays a unique place making role in the partnership as long term custodians of the city with an ongoing remit to ensure that the scheme delivers the social and environmental benefits set out in the masterplan and that community engagement sits at the heart of the scheme as it is planned and delivered.

46. In June 2018 Executive agreed a series of city objectives to be developed as part of the delivery of the scheme relating to

- Housing
- Economy
- Public realm
- Sustainability
- Community
- Culture

47. York Central presents a once in a life time opportunity to create a modern urban extension to the city. Unlike any other development, the central location, historic context, proximity to the station and connections across the country will mean it is ideally placed to help deliver the ambitions of the city for economic and residential growth. It will also improve the wellbeing of residents, connecting communities to the city and beyond. York Central will contribute to the revitalisation and invigoration of our economy and provide much needed residential provision but it also needs to be a great place, an integrated high quality urban extension to the city that has a palpable sense of community and contributes positively to our social economic and environment aspirations of the city.

48. As democratically elected representatives of York's diverse communities, the council has a very specific leadership role in helping city partners, stakeholders and communities to actively, sensitively and intelligently develop solutions to the economic social and environmental challenges faced by the city.

49. The community engagement activity undertaken to inform the development of the York Central scheme has positively engaged public debate in the future of York and many of the themes emerging from that consultation relate to broader aspirations for the city and a call for a more discursive form of public debate.



50. This emerging thinking suggests that there is an immediate desire within the city for the council to take an active role in enabling the development of the social, as well as the physical, infrastructure of the site. Below are some of the emerging themes and opportunities for delivering added value that the council is seeking to develop and support.

## **Housing**

51. The need for an increased supply of housing is a key issue in York as it is throughout the country. York Central is one of the largest sites allocated for housing in the Draft Local Plan and it is also the most urban major development site. The planning application includes provision of 20% affordable housing in line with CYC planning policy.
52. The Council is keen to develop council housing on the site as part of the affordable allocation and will develop a business case for Executive to consider ahead of a future competitive bidding process that the master developers will undertake to procure registered providers on the site.
53. The council has a Housing Delivery programme (also featured on this agenda) which is using council land for the direct delivery of general needs mixed tenure housing and which seeks to trial exemplar community led housing schemes that harness social and financial investment to deliver targeted housing need. The council is also running an Older Persons Accommodation Programme to facilitate increased supply of accommodation for older people, both residential & nursing care home provision, independent living accommodation and age restricted housing. It is proposed that these two programmes develop proposals and a business case for future CYC investment in housing on York Central. This will then need to be agreed with the YCP master developer partners on a commercial basis.

## **Economy**

54. The York Central master developers (Homes England and Network Rail as majority landowners) are ultimately responsible for identifying occupiers for the new business growth space on York Central but the council has a significant strategic role to play in attracting the right occupiers, promoting the city and maximising the economic impact of the development across the city. The council will therefore remain engaged with the development partners and will undertake further engagement with businesses to focus the occupier strategy and integrate the commercial spaces within the broader area.
55. The council has committed to exploring opportunities for direct investment in delivering the first wave of development on the site that will attract important anchor tenants and attract other businesses to locate onto the site as well as support for inward investment. The council has been working with organisations in the city who are key drivers of economic growth, including both

Universities. Discussions are ongoing and a further report will be brought back to Executive in March to consider proposals for collaboration on York Central.

## **Public Realm**

56. The YCP is committed to creating quality new places that integrate with existing communities. The creation of exciting, vibrant, public spaces, both landscaped and green, that promote health and cultural creativity for all ages whilst ensuring ease of maintenance is essential and in order for this to really meet the needs of communities those communities must be involved in the design and possibly in the future management arrangements.
57. The council will continue to advocate on behalf of the city to build positive constructive relationships with engaged community groups and individuals to shape future design of things like the parks and squares but it is also interested in the potential for community co-production – the active engagement of communities in the delivery and curation of public space.

## **Sustainability**

58. The planning application sets out a multi-modal transport strategy that augments the existing pedestrian and cycle networks and improves public transport provision whilst mitigating the negative impacts of additional traffic on our roads. The early delivery of the enabling infrastructure will see new cycle and pedestrian routes created and will create a dedicated new access road that will enable the rerouting of traffic and public transport away from small residential streets and create new public transport links to the western station entrance that will integrate with further improvements to the existing eastern station entrance.
59. The whole scheme has been designed to discourage large increases in vehicular traffic to the city centre though, inevitably, in a development of this scale there will be more journeys created.
60. Going forward the council is keen to explore how sustainable transport for the site can be integrated into provision for the rest of the city, how public transport will serve the city best and by making provision of car share schemes and electric vehicle charging points. The council will continue to pursue these ideas with developers and with commercial parties.

## **Community**

61. The S106 agreement of a future planning permission will allow both space and financial contribution for the creation of community facilities on the site that meet the need of the new and surrounding communities. It is essential that the detail of this is shaped by communities so that it meets their needs and could possibly be delivered and/or managed by those communities.

62. The site will contribute significant new patient numbers for GP surgeries and the existing primary care infrastructure is unlikely to be able to meet the needs of new patients without further investment and remodelling of on site primary health care facilities to meet the needs of new and existing communities. CYC has begun conversations with health partners and will need to work effectively with GPs and commissioners to develop proposals for on site primary health provision and explore innovative ideas that may integrate such new provision into residential, commercial or community buildings on the site.
63. Though plans for a new free school on the site have been withdrawn by the Department for Education, consideration still needs to be given to how the site will positively contribute to school place provision, particularly in the city centre. It is the view of Education colleagues that the development will not necessitate a new primary or secondary school as it is not expected that the number and type of dwellings created in York Central will generate the numbers of pupils that would require new school provision and there is already spare school place capacity within nearby primary schools. Early additional demand could be immediately accommodated, and as the scheme is built out it is likely that the remainder will be supported through the re-drawing of catchment areas to support the new development.
64. As part of the planning process the developers will agree a S106 agreement with the council which will make provision for the education provision arising from the development. If this does not necessitate a new school then it will involve a financial contribution for provision elsewhere in the city. As the scheme is built out and new homes are created, plans will need to be developed to ensure that this enables schools to meet new demand for places and continues to look at potential future school provision on site in a way that enhances existing local schools. These conversations will be pursued post planning.
65. Early Years provision will be needed and the proximity to the city centre will create attractive commercial opportunities for nursery providers.

## **Culture**

66. Through the YCP the council will continue to support the expansion of the NRM to improve their visitor offer and integrate this with the broader scheme and showcase the rail heritage of the city.
67. York Central as a whole will create a range of active public spaces and suitable commercial and community spaces that could support cultural innovation, events and businesses and use great public art in the development of those public spaces. This is another area where engagement with communities, cultural institutions and creative industries could develop exciting ideas and

proposals for York Central as it is built out. This, along with other aspirations for community uses and public realm, will require considerable ongoing community engagement.

### **Community Engagement**

69. Both CYC and YCP have made strong and ongoing commitments to engage communities in the development of York Central as set out in the York Central Engagement Charter (Annex 3). Community engagement has resulted in significant change to the masterplan and this influence is set out in the Statement of Community engagement that is part of the Outline Planning Application.
70. York Central Community Forum was set up in November 2016 to facilitate engagement by YCP with the local communities and stakeholders around York Central and across the city. It was established to :-
- a) Provide a sounding board for the development at key stages of the process.
  - b) Bring interested parties together to share information, ideas and different perspectives.
  - c) Feed-in the views of local communities and broader city wide stakeholders to help shape the development proposals.
  - d) Feed-back the work of the Forum to local communities and city wide stakeholders.
  - e) Enable Partners to keep the Forum informed of progression.
  - f) Develop shared understanding.
71. The YCCF was supplemented during the spring and summer of 2018 when YCP commissioned My Future York (MFY) to assist with engagement activity during The Festival of York Central. MFY used the methodology successfully deployed as part of the council's Castle Gateway project and developed My York Central (MYC) to run a series of interactive events workshops and social media interactions designed to promote constructive, open debate and extend reach of consultation activity and harness the input of a wide a range of people.
72. York Central Community Forum has met eleven times and has benefitted from two guided site visits. The Very Revd Vivienne Faull, Dean of York Minster, stood down as the independent chair to the group in June 2018 to take up the post of Bishop of Bristol. This alongside the pause in meetings during the planning determination period has given rise to an opportunity to review the current effectiveness and structure of YCCF.
73. The future of the Community Forum was discussed with YCCF members at the June and July meetings. The main issues identified with the current structure are:

- The "invite-only" nature of the Forum alienated those who weren't invited and generating a perception that discussions were being held within a closed group.
- The expectation that individuals were representative of broader community bodies, when in some cases little communication onto these broader bodies took place and was not aided by the need to present timely information to the forum thus precluding their ability to consult more widely prior to the meetings.
- The expectation that volunteer members would attend meetings covering a wide agenda, when in some cases they had focussed geographic or thematic interests.
- Attendees felt frustrated that the agenda was set by YCP and that this limited their ability to actively engage in the issues that concerned them or where they sought greater involvement and input.

74. Though some of these issues may be inevitable when part of the purpose of the forum was focussed on planning engagement, however the forum in its current guise does not appear to be a suitable vehicle for future engagement. Through discussions with existing forum members and working with My York Central alternative engagement proposals are emerging for an open forum with an agenda owned by the forum, not YCP, in order to provide a better platform for active participatory engagement, not just receiving information and being asked to respond. This could provide a better forum for developing community capacity for active involvement, e.g. running the park, developing proposals for community housing scheme, meanwhile uses or community space definition and operation, all of which are an essential part of delivering the social economic and environmental benefit of York Central.

75. YCP will continue to need to engage as the scheme is delivered and there will be a need for specific communication and engagement activity as development work commences starting with workshops in early 2019 prior to the submission of the reserved matters application for the first phase of infrastructure. In addition the council will need to consider how it supports community groups and individuals to create the capacity and capability to take some of the exciting and interesting ideas forward and shape deliverable community led propositions. This may require practical and financial support to existing and new communities.

76. Following an initial discussion with My Future York, and learning from the Festival of York Central held in Spring, a new structure could create:

- Open participation by anyone who lives, works, or otherwise has an interest in the city and in the role York Central will play in its development.
- Participation which does not require formal membership, and where continuity is provided by a clear process of the development of ideas, rather than a specific body of people.

- Participation with the opportunity for ongoing long-term engagement in specific issues and engagement with specific proposals, without expectation of any overall commitment to the broader project.
- Agendas set by participants (rather than by YCP or CYC) in order for the process to be grass-roots-led and independent.

77. This will require some collation and co-ordination and needs to engage interested parties in shaping a proposition. Rather than be prescriptive it is proposed that My Future York are asked to continue their engagement activity to pull together the interested parties to co-design a new approach to the YCCF, to create an open dialogue about York Central which is transparent in operation and with opportunities for groups and individuals to get more involved in carrying forward ideas and help develop the ethos of “making change together”.
78. Early ideas for the new YCCF structure have been in the form of quarterly meetings with a workshop framework spanning between them, similar to the successful My York Central approach demonstrated during the Festival of York Central. However, the exact form will be subject to further community input. The previous YCCF independent chair role could be replaced by employing an independent facilitator to oversee the quarterly meeting, event and support elements.
79. It is proposed that the outstanding funding from the My York Central engagement programme budget (£2500 approx) will be committed to extending the engagement of My Future York to convene discussions with community groups to develop these ideas and make a proposal back to YCP and CYC for future consideration. Once established, the forum could apply for ward funding and/or other CYC or YCP funding to continue, on the basis of benefits which can be demonstrated. The forum could continue for as long as there is public support, both in terms of attendance and engagement, and in terms of committing funding. Evidence of the audience reach/breadth of participants would need to be monitored throughout.

## **Delivery Programme**

80. The delivery programme will evolve during the delivery phase of the project. A summary of key milestones is provided below:

- |  |                |
|--|----------------|
| • Submission of Outline Planning Application   | Aug 2018       |
| • WYTF funding decision                        | March 2019     |
| • Infrastructure delivery contractor selection | Mar/April 2019 |
| • HIF Funding decision                         | Mar 2019       |

- Submission of Reserved Matters Planning Application for ph 1 infrastructure (western access bridge and spine road) April 2019
- Pre construction enabling works commence Mar 2019
- Main Infrastructure contract let July 2019
- Marketing of residential plots June 2019
- Procurement of Commercial development partners July 2019
- Western Access / Bridge and spine road complete July 2021

## Council Plan

81. The project will assist in the creation of a Prosperous City for All, and be a Council that listens to residents particularly by ensuring that:

- I. Everyone who lives in the city can enjoy its unique heritage and range of activities.
- II. Residents can access affordable homes while the greenbelt and unique character of the city is protected.
- III. Visitors, businesses and residents are impressed with the quality of our city.
- IV. Local businesses can thrive.
- V. Efficient and affordable transport links enable residents and businesses to access key services and opportunities.
- VI. Environmental Sustainability underpins everything we do.
- VII. We are entrepreneurial, by making the most of commercial activities.
- VIII. We engage with our communities, listening to their views and taking them into account.

## Implications

**Financial** – In addition to the implications set out in the report and the risk section, Full Council approved the creation of a budget totalling £155m. The table below shows the overall funding split and the impact of the budget releases recommended in this report.

.All figures £'000	Overall Funding	Less £1.25m Allocation	Less £5m Conditional Allocation	Balance Remaining
CYC (Residual EIF)	4,662	-1,250		3,412
CYC Borrowing – EZ	35,000			35,000
Housing Infrastructure Fund*	77,100		-5,000	72,100
YNYER LEP	3,110			3,110
WYTF Contribution*	23,500			23,500
Balance – Developer Contributions, Land Values, Cost Control	11,628			11,628
<b>Total Funding Available</b>	<b>155,000</b>	<b>-1,250</b>	<b>-5,000</b>	<b>148,750</b>

\* Both funding sources are subject to final agreement by the grant givers

**Human Resources (HR)** – none

**Equalities** – Equalities impacts will be considered in the full infrastructure planning application and detailed design process

**Legal** – The Council has the power to enter into the proposed arrangements with Homes England, Network Rail and the National Railway Museum by virtue of the general power of competence contained in section 1 of the Localism Act 2011. This power enables the Council to ‘do anything that individuals generally may do’.

Section 1 of the Local Authorities (Goods and Services) Act 1970 allows the Council to provide certain goods and services to any other public body. These include the provision of administrative, professional or technical services. Each of the members of the Partnership are classed as public bodies for the purposes of the 1970 Act. The provision of goods and services between public bodies is governed by the Public Contracts Regulations 2015 however there is an exemption in Regulation 12 where public bodies are working in collaboration with each other. The collaborative nature of the arrangements between the parties to the York Central Partnership falls within the exemption.

The Public Contracts Regulations 2015 will apply to any contracts for works and services placed by the individual parties in respect of the development of York Central and this is dealt with in the Heads of Terms.

The YCP Heads of Terms have been reviewed by colleagues in Legal Services and amended in accordance with advice received. It is noted that whilst the term ‘Partnership’ is used, there is no intention to create a formal legal partnership between the four parties and the Partnership Agreement will reflect this. It is recommended that the drafting of the Partnership Agreement is carried out in consultation with colleagues in Legal Services.



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

**Crime and Disorder** - none

**Property** – none.

### **Risk Management**

82. The previous report in November detailed the key risks of the project progressing and they are still considered to be relevant at this time. There are however some further risks that this report brings forward.
83. Abortive Costs - The further release of £1.25m from CYC's EIF funding increases the potential abortive costs from £3.324m to £4.574m. If the project were ultimately not to progress these costs would need to be written off to revenue. Whilst this can be mitigated by surplus EZ receipts this will have a significant financial impact on the council.
84. Borrowing Risk - The proposed agreement whereby CYC will potentially recover its' investment in the scheme (up to £15m) significantly mitigates the risk of the EZ backed borrowing agreed by Full Council in December. The further opportunities for additional returns to CYC should the scheme be financially successful to the developers provides the council with a significant potential financial benefit.
85. There is a risk that land values do not achieve targeted levels and land sale receipts are therefore not sufficient to repay all partner costs. CYC have already budgeted for the £15m of development and transport costs (£10m EIF and £5m WYTF levy) and the risks of the scheme not generating enough business rates to repay EZ borrowing were covered in the November 2018 report. This scenario is mitigated by the Heads of Terms as they commit partners to bringing commercial plots to market in a timely manner.

### **Contact Details**

**Author:**

Tracey Carter - Assistant Director for Regeneration and Asset Management. Tel No. 553419

**Chief Officer Responsible for the report:**

Neil Ferris – Director of Economy and Place



**Specialist Implications Officer(s)** *List information for all*

Financial – Patrick Looker  
Finance Manager  
Tel No. 551633

Legal – Cathryn Moore  
Legal Manager – Projects  
Tel No.552487

**Wards Affected:** Holgate, Micklegate

All

**For further information please contact the author of the report**

**Annex**

Annex 1 – Site Plan

Annex 2 - York Central Partnership Heads of Terms

Annex 3 - York Central Engagement Charter

**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<sup>th</sup> November 18 - York Central Enterprise Zone Investment Case

**List of Abbreviations**

CYC - City of York Council

ECML - East Coast Main Line

EZ – Enterprise Zone

FAL - Freight Avoiding Lines

HIF - Housing Infrastructure Fund

HA - Highways Authority

LCR - Leeds City Region

LEP - Local Economic Partnership

LPA - Local Planning Authority

MHCLG –Ministry of Housing Communities and Local Government

MFY - My Future York

MYC – My York Central

NRM - National Railway Museum

WYTF – West Yorkshire Transport Fund

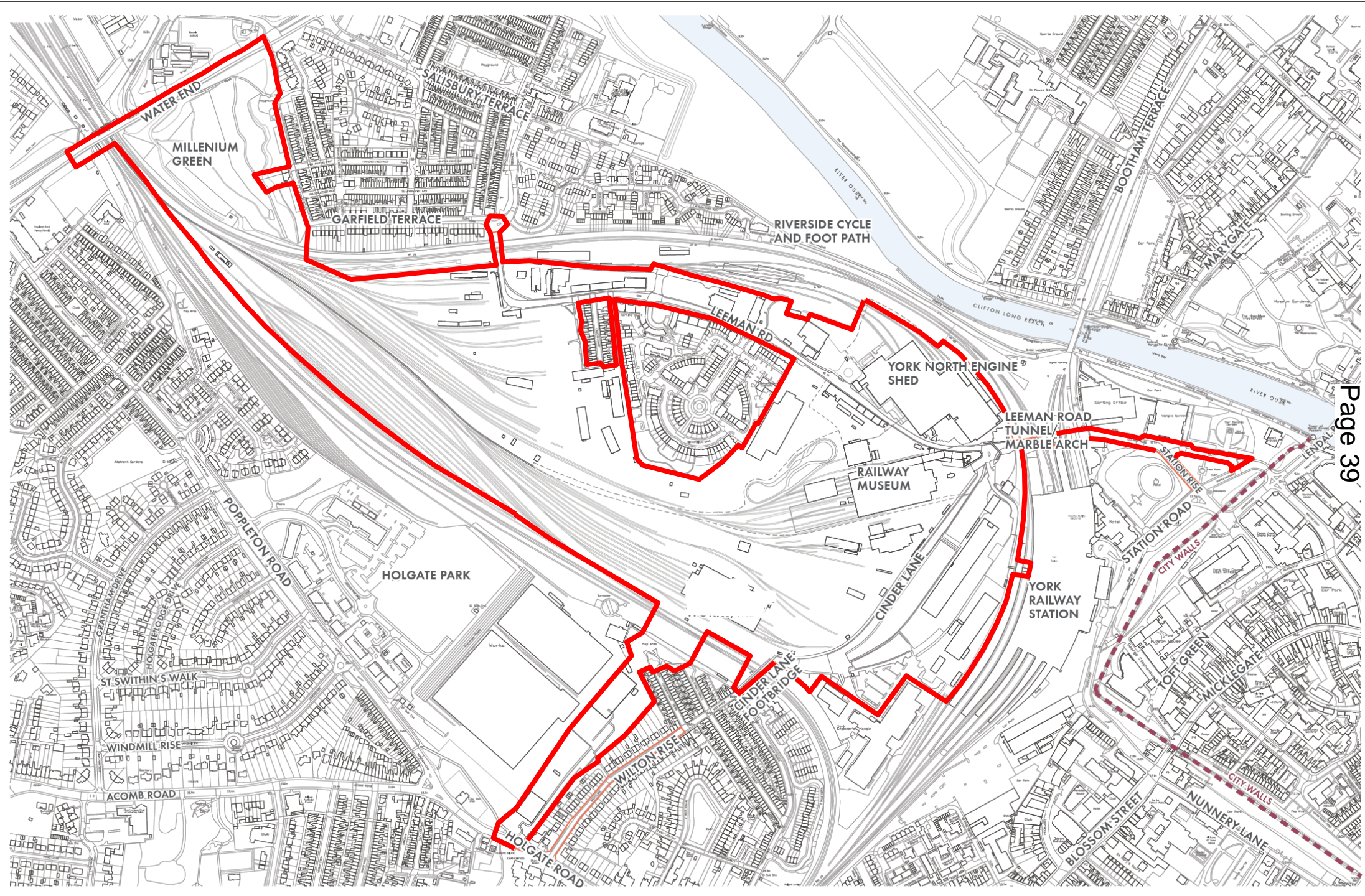
YC - York Central

YCCF - York Central Community Forum

YCP - York Central Partnership



Annex 1: Outline Planning Application Site Boundary





This page is intentionally left blank

York Central  
“Partnership Agreement” Heads of Terms

This draft Heads of Terms for the “Partnership Agreement” was agreed at York Central Board on 19<sup>th</sup> December 2018 and is subject to internal approvals from each Partner

## 1 Introduction

- 1.1 This Partnership Agreement sets out the proposed relationship for the Partnership of Homes England, National Railway Museum (NRM), City of York Council (CYC) and Network Rail (NR) (collectively The Partners) for the York Central project. This Partnership will provide the strategic vision for the project as set out in the following governance structure and set out the obligations of each partner to help to deliver York Central in line with the aspirations of the outline planning application.
- 1.2 The delivery of the development will be led by the Master Developers (Homes England and Network Rail) and the Master Developers will be the decision makers for the housing and commercial land, within the parameters and obligations of this Partnership Agreement. CYC have a role as responsible body for the EZ and other funding sources and the Executive will be responsible for release of funding. In addition and separate to this agreement CYC are the Local Planning and Highways Authority who will perform their independent statutory functions.

## 2 Objectives

- 2.1 The purpose of this Partnership Agreement is to:
- Set vision and quality aspirations as per the outline planning application and its Design Guide
  - Set out delivery, funding, governance, programme and management of the scheme
  - Establish a baseline Master Programme, Master Off Plot Infrastructure Cost Plan and Vacant Possession Plan
  - Commit all parties to the delivery of the proposals as per the outline planning application
  - Establish key principles including basis of contribution and recovery of funding

2.2 The Partnership wishes to ensure the comprehensive delivery of the York Central Project. This is to be in line with the principles of the agreed Outline Planning Application, within cost parameters and to the agreed target timescales. The aim is to create a high quality, sustainable mixed use development and associated infrastructure and public realm.

### 3 Vision

3.1 The vision for York Central has been defined by the Partnership following stakeholder and public engagement. The vision is our collective aspiration for the project. The vision is articulated below but it should be noted it is anticipated this vision will evolve with the project.

3.2 Any amendments to the vision will need to be agreed by all Partners at the York Central Delivery Coordination Board and York Central Strategic Board.

#### **York Central Vision**

York Central provides a transformational opportunity to realise the significant ambition for economic and housing growth in York. York Central's excellent location in the heart of the city and next to York Railway Station will deliver a well-connected and sustainable neighbourhood accessible to all. Drawing on its railway heritage, it will be a place full of life and vitality, delivering a vibrant new part of the city, providing homes and jobs for the people of York.

The buildings and spaces at York Central will be high quality and complement the historic setting and fantastic connections to the city centre and railway network. Homes will range from first homes to those for families and for older people, suitable for all stages of life and affordable to all.

Businesses will benefit from a range of innovative and flexible workspaces for growing local companies and start-ups, as well as providing the capacity and quality of space to make York a landmark business destination and attract national and international businesses around York's growing industry strengths, such as in rail, insurance and digital. York Central will enable business growth and attract inward investment to create good quality jobs for the people of York.

The National Railway Museum will be the cultural heart of York Central. It has an exciting and ambitious emerging masterplan to tell the epic stories of the impact of railways on the world. The Museum will contribute to York's tourist industry with significant growth in visitor numbers discovering its world-class collection, with a new Central Gallery showcasing the latest innovations from the modern railway industry. A lively public square will be at the heart of the new community and will create a bold sense of arrival for residents, visitors and workers

alike. Extensive public spaces and a wonderful public park for formal and informal cultural events will be available for community interaction, play and recreation.

High-quality digital and physical infrastructure will be provided from the outset, encouraging low carbon living and providing the flexibility needed for sustainable energy solutions fit for the 21st century.

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 city-wide footpaths and cycle ways, to enjoy the wider York environment.

### **4 Partner Roles**

4.1 National Railway Museum (NRM) will act as the cultural heart of York Central. It will improve its existing facilities in York Central and deliver its expansion plans as per the outline planning application and its Museum Masterplan within the wider context of the York Central site.

4.2 City of York Council (CYC) will deliver the early infrastructure, be the planning applicant for that infrastructure, be the recipient of and conduit to funding, enable and facilitate inward investment, have the potential for their own investment and act separately in their statutory planning and highways functions.

4.3 Network Rail (NR) and Homes England will lead on the development of the site, acting as Master Developers for the site and bring forward development in line with the outline planning application with private sector partners. A Project Director will be appointed by the Master Developers and will ensure all elements of the York Central are delivered through ownership of the Master Programme, Vacant Possession Plan and Master Off Plot Infrastructure Cost Plan.

4.4 The relationship between the Master Developers and delivery of the scheme will be governed by a separate Collaboration Agreement between Homes England and Network Rail and any supporting Agreements.

### **5 Governance**

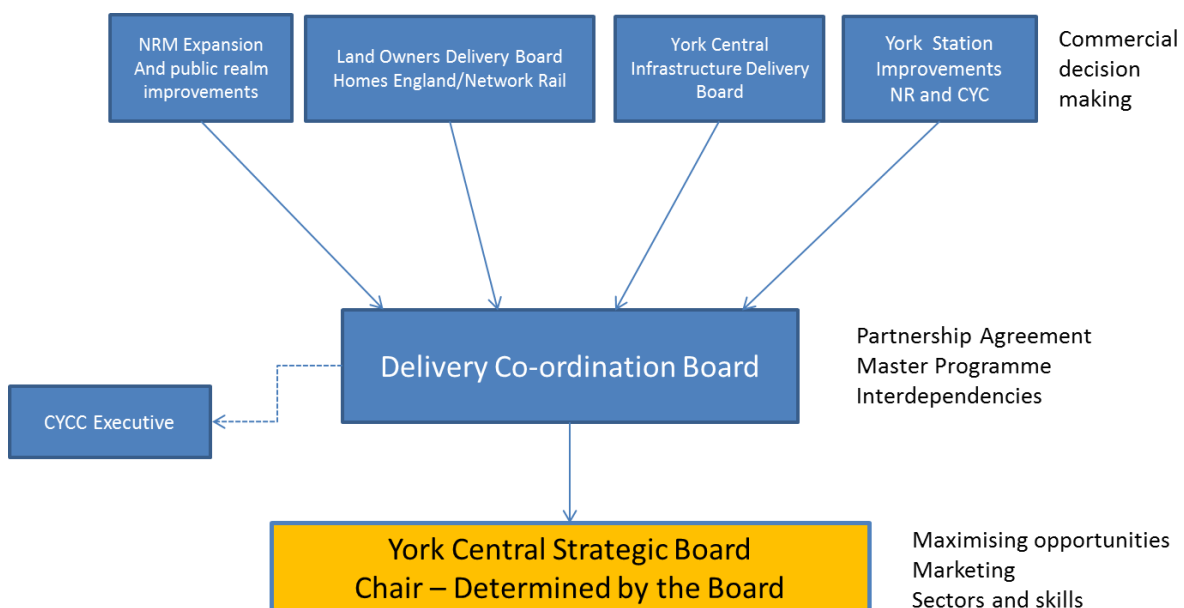
5.1 The governance of York Central will be formally created through this Partnership Agreement and is shown diagrammatically overleaf. York Central consists of a number of “projects” (NRM, infrastructure, development and Station Improvements) which will be led by each of the different Partners.

These “projects” will each have their own governance structure and be accountable to their respective Partner organisations. Boards are/will be established for each of the individual projects.

5.2 The interdependencies for these projects will be brought together and managed by the Delivery Coordination Board. The Delivery Coordination Board will be set in the context of this Partnership Agreement and will oversee the baseline Master Programme, Vacant Possession Plan and Master Off Plot Infrastructure Budget and Cost Plan. This Board will comprise a senior representative from each of the Partnership organisations with appropriate delegations and will meet on a monthly basis. It will have proactive reporting from each of the “projects” on deviation from all the above, with early identification of issues affecting the critical path. The Delivery Coordination Board will be accountable to the Members of the Strategic Board.

5.3 A high level Strategic Board will oversee the project, with high level representatives from each of the Partners as well as high level representatives from the Local Enterprise Partnerships. This Strategic Board will not be responsible for commercial decision making but will provide an overview for the project, will be advocates for the project and will seek to maximise the promotion of all opportunities. This Strategic Board will select a Chair which may change from time to time.

5.4 The Partnership agrees to be open and transparent in all transactions within their individual organisations, including land procurements and investment opportunities/decisions.





## **6 Placemaking at York Central**

6.1 The Master Developers will work with CYC to ensure social outcomes are delivered.

## **7 Planning**

7.1 Homes England and Network Rail submitted an outline planning application in August 2018 for York Central.

7.2 Homes England and Network Rail also commit to submitting a Stopping Up Order for Leeman Road, under Section 247 of the Town and Country Planning Act 1990, to the Department for Transport. All Partners commit to supporting the submission of this application.

7.3 Following outline planning approval, CYC commit to submit a Reserved Matters application within the agreed target timescales of the Master Programme for York Central for Infrastructure Packages 1 & 2. All partners commit to supporting the submission of this application subject to Stage 3 design sign off.

7.4 NRM will submit a Reserved Matters application within the agreed target timescales of the Master Programme for Central Gallery, subject to confirmation of funding availability. All partners commit to supporting the submission of this application.

7.5 Future reserved matters applications for other Off Plot Infrastructure will be submitted in line with the agreed target timescales in the Master Programme to ensure funding availability timescales are met.

## **8 Funding and Financial Management**

8.1 The project is progressing on the basis of a £144m off plot infrastructure funding package (Funding Package) from a number of sources, which CYC is coordinating and is the Accountable Body for.

8.2 As Accountable Body for grant funding CYC will be responsible for financial monitoring and reporting of the £144m Funding Package to all funding bodies, to the CYC Executive and to the YCP governance structure

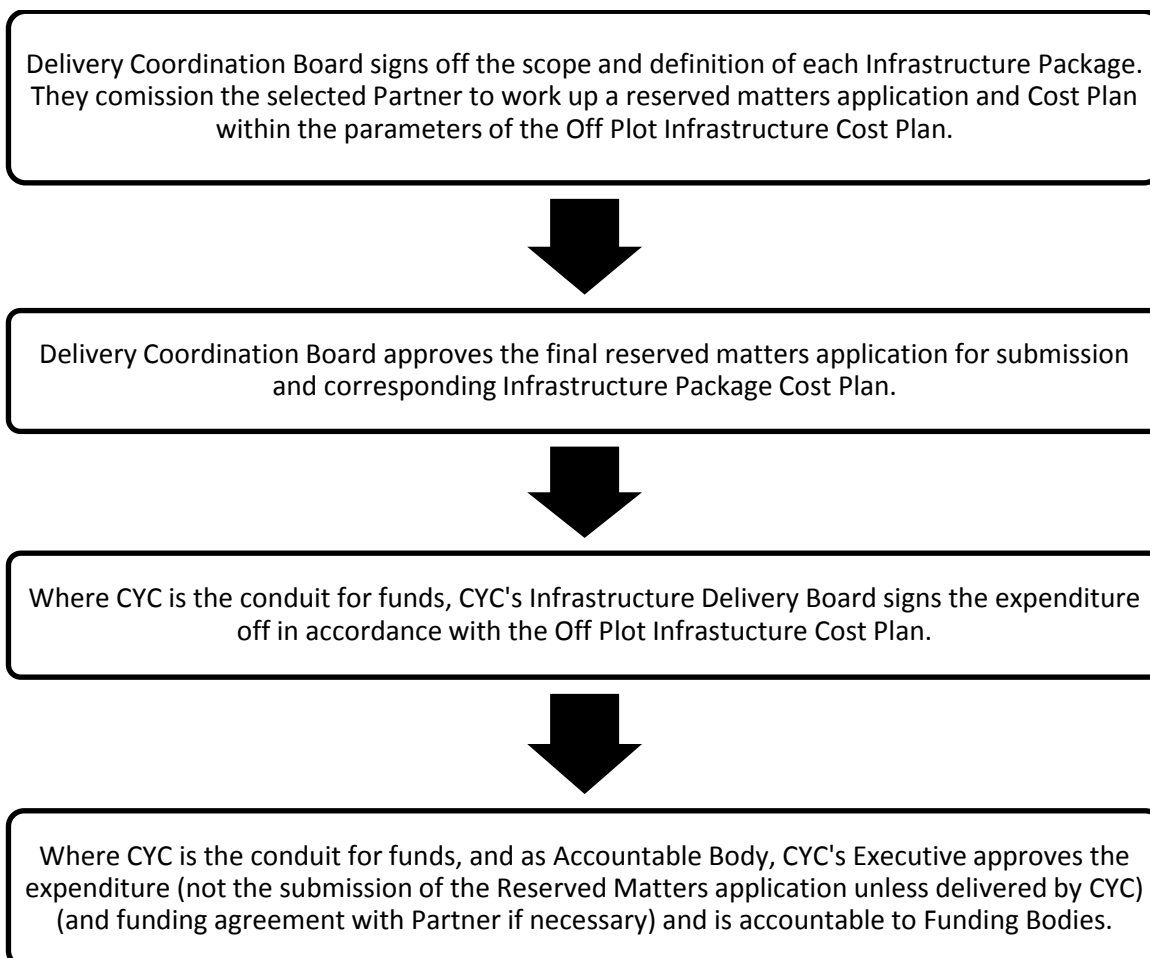
- 8.3 The current anticipated infrastructure cost is £155m, as per the Master Off Plot Infrastructure Cost Plan. The Partners commit to, in the first instance, seeking value engineering opportunities to bring the cost within the Funding Package. Should value engineering not be possible, and other funding sources not identified, the Master Developers commit to ensuring the delivery of the remaining off plot infrastructure [which could be through funding or instructing developer partners to deliver the infrastructure].
- 8.4 Any Partner may choose to make further investment in York Central where the objectives and outcomes closely align with the Vision for York Central.
- 8.5 The Partners will each support the other Partnership members to submit external funding bids for York Central.
- 8.6 The Partners will seek further external funding support where the objectives and outcomes closely align with the Vision for York Central.

## **9 Off Plot Infrastructure Delivery**

- 9.1 The Master Off Plot Infrastructure Cost Plan sets out the infrastructure the Partnership is committing to deliver, subject to availability of the Funding Package, which sets out a number of Infrastructure Packages and their estimated cost.
- 9.2 CYC is committing to deliver the first and second Infrastructure Packages, which includes the access corridor through the site, subject to the funding being approved.
- 9.3 Decisions on who is commissioned to deliver the further Infrastructure Packages will be made collectively by the Project Coordination Board based on the most appropriate organisation given the following criteria: deliverability; cost efficiencies; time efficiencies; and future management and maintenance.
- 9.4 Given CYC is the Accountable Body for the funding, separate Agreements may be required should the further Infrastructure Packages not be delivered by CYC to ensure all obligations are met and accountability is maintained.

9.5 Notwithstanding who is commissioned to deliver each package of the infrastructure, the Partnership commit to a collaborative process of design and construction for the Off Plot Infrastructure for each Infrastructure Package.

9.6 Any Infrastructure Package will be developed and approved as follows:



9.7 Where CYC is the conduit for funds the ultimate accountability for the Funding Package lies with CYC and before it releases funds for each Infrastructure Package it must be satisfied that it has its internal approvals and assurance in place for the release of that funding. CYC's Infrastructure Delivery Board will need to seek agreement from CYC's Executive in order to release funding for each infrastructure package.

9.8 CYC, Homes England and Network Rail commit to use reasonable endeavours to deliver Vacant Possession of relevant areas of land for the infrastructure in accordance with the timescales in the Master Vacant

Possession Plan. Any contractor costs arising from late delivery of VP will be borne by the relevant landowner.

- 9.9 For infrastructure packages 1 and 2, NRM shall grant a construction licence for the relevant part of South Yard to support the construction of the pedestrian and cycle route and utilities corridors.
- 9.10 For Museum Square development, following completion of a satisfactory and agreed design for Museum Square, NRM shall grant a construction licence for the relevant part of NRM land excluding buildings.
- 9.11 Within this Funding Package, or through additional funding sources being identified, the Partnership are committed to exploring the opportunities for sustainability/low carbon to maximise the opportunity at York Central.
- 9.12 The Off Plot Infrastructure must include provision to maintain low-loader access to North and South Yard of the National Railway Museum.

## **10 Off Plot Infrastructure Delivery Cost Management**

- 10.1 It is anticipated the off plot infrastructure will be delivered within the parameters of the Off Plot Infrastructure Cost Plan.
- 10.2 Reasonable endeavours are given by all to work within the costs of the agreed baseline Master Off Plot Infrastructure Cost Plan and the individual costed Infrastructure Packages.
- 10.3 The Off Plot Infrastructure Cost Plan will be reviewed on procurement of each individual package of infrastructure works and on monthly Board basis against the baseline. Monthly reporting will include reporting on risks and likely outturn as well as cost efficiency opportunities.
- 10.4 Project assurance will be put in place by CYC as Accountable Body to ensure the funding requirements are monitored and met.
- 10.5 Cost overruns will be managed within the overall Off Plot Infrastructure Cost Plan which will include prioritisation to deliver the most critical elements from the Funding Package. Value engineering may be required.

- 10.6 Implementation of cost efficiencies, where affecting design quality, should be agreed by the Delivery Coordination Board.
- 10.7 Should cost overruns exceed the baseline Master Off Plot Infrastructure Cost Plan the Partnership will, through the Delivery Coordination Board, agree a strategy to address this to ensure all elements of infrastructure are delivered.
- 10.8 The Partners are under no obligation to each other to draw down the maximum Funding Package if it should not be required through cost efficiencies.

## **11 Development Delivery**

- 11.1 On Homes England and Network Rail land, the Master Developers will agree the Delivery Strategy for the site within the parameters of this Partnership Agreement. Through this Delivery Strategy the Master Developers will procure private sector partner(s) for the delivery of the development with Development Briefs where applicable and these transactions will be open and transparent.
- 11.2 Any development at York Central (on all Partners' land) shall be built out in line with the Parameters of the Outline Planning Application and related Design Guide, with any development agreements with private sector partner(s) requiring this. All Partners commit to creating safe and accessible movement across the site during and after construction.
- 11.3 The Master Developers commit to bringing plots of a defined quantum to the market for commercial and residential development within timescales set out in the Master Programme.
- 11.4 When bringing a plot to market the Master Developers will:
- Market a plot with bids on basis plot developed in accordance with the Design Guide and OPA.
  - Bids assessed in relation to compliance with this.
  - Developer only given landowner consent to proceed with RMA when Design Champion confirmed the design works etc.

- 11.5 The Master Developers will appoint a professional design advisor who will oversee design across the land owned by the Master Developers and lead the creation of Development Briefs where applicable for each of the plots, in line with the Outline Planning Application and its Parameter Plans and Design Codes. This will include how the plot is contributing to creating “place” at York Central. The Delivery Coordination Board will have sight of these Development Briefs.
- 11.6 Whilst the Delivery Coordination Board will not have “sign off” of any development reserved matters applications those applications should be developed collaboratively and proactive engagement with the LPA should be undertaken prior to submission.
- 11.7 All Partners commit to supporting the Museum Masterplan proposals, as set out in the Outline Planning Application.
- 11.8 The Partners commit to delivering 20% affordable homes, as per the Outline Planning Application, and will manage this provision across the site with their development delivery partners through the relevant agreements. The Registered Provider for this housing will need to be transparently procured to ensure best value but will include CYC as an option.
- 11.9 All Partners have the ability to request the acquisition of land from another Partner through the Delivery Coordination Board. This will be on the basis of meeting the Vision and any acquisition will be at Market Value. Partners are not obliged to dispose of their land upon such request.
- 11.10 The Master Developers will explore the opportunities for Custom Build/Community Led Housing at York Central.
- 11.11 The Master Developers will procure a development partner to deliver a Multi Storey Car Park which suffices the needs of Network Rail’s commuter car parking and NRM’s visitor car parking.

## **12 Employment and Skills**

- 12.1 Any infrastructure delivery or development at York Central will require an Employment and Skills Plan which should seek to maximise local employment opportunities and local skills development through the whole

supply chain where compliant with procurement rules on non-discriminatory treatment.

## 13 Land

13.1 All to provide land and rights for delivery of the Outline Planning Application within dates of the agreed target timescales.

13.2 No Partner will seek to extract a ransom value over another by virtue of its ownership.

13.3 Land ownership and availability specifics:

- CYC to take freehold of adopted highway subject to formal Executive agreement
- Subject to statutory consent for the Stopping Up order the Partners will support the delivery of the NRM Masterplan by providing the requisite land ownership as per the appended plan [plan to be appended]
- NRM to lease to the Development Partners its land lying within the proposed Museum Square for the development and ongoing maintenance of this space
- NR and Homes England to transfer the freehold of the land under the rail link to NRM. NRM to complete a Network Connection Agreement with Network Rail to use the siding connection to the National Rail Network and to utilise this connection in accordance with the terms of this Agreement.
- NRM to grant rights of access across the Steam-ride line at the designated point to facilitate the Masterplan objectives of circulation through the site.
- All reasonable endeavours to achieve Vacant Possession of York Yard South for purposes of York Central masterplan.
- All reasonable endeavours to deliver Vacant Possession of relevant areas of land to facilitate progress of Off-Plot Infrastructure and development of plots.
- All to provide construction licences, where relevant, in line with the Master Programme.
- NR require a site for their Delivery Unit on the York Central site until another is in place.
- NR will surrender the car park for the Rail Operating Centre once equivalent and suitable parking spaces are provided

- NR to sell to NRM the Bull Nose Building and the YRA Building [if not already happened before this Agreement is signed]
- CYC may, subject to further discussion, dispose of their land in York Central to the Master Developers on the basis of a sale plus overage or enter into a land swap
- NRM to seek to bring the Stables back into repair and beneficial use.

#### 13.4 Access specifics:

- CYC to acquire the required land to support the Western Access
- NR to seek to secure an alternative location for trackside access to facilitate Western Access route
- Western Access route design to ensure provision of adequate track side access to the Up Line of the ECML either adjacent to the Western Access route or at a suitable alternative location.
- NRM to provide pedestrian access through the Central Gallery during its normal opening hours
- NR to progress improvements to West side of Station as part of Off-Plot Infrastructure works.
- NRM to improve South Yard area, including the area adjacent to Homes England's Concrete Works site, and increase permeability in opening hours through the Museum external spaces.
- NRM will provide a right of access across the Museum's South Yard for a new pedestrian and cycle access in line with the Parameters of the Outline Planning Application
- All Partners commit to supporting NRM in the submission of the necessary consents for the rail crossing of Leeman Road
- Maintain the access from Leeman Road around Hydraulic House to NRM and ECML

13.5 If appropriate the Master Developers will seek to acquire further land for the York Central scheme such as land to the north of Leeman Road.

## **14 Land Value**

14.1 The Master Developers have a business case for taking forward land for development based on an anticipated target land value receipt. The target land value receipt is required to cover existing land values and costs incurred or to be incurred to bring the site forward for development ("Master Developers Allowable Costs"). In the Collaboration Agreement between the



Master Developers there is a mechanism to distribute future land receipts based on mechanisms for pro-rata shares.

14.2 In addition to the Master Developers costs, CYC have incurred costs on behalf of all the Partners on external professional services provided for the development and submission of the Outline Planning Application which are their Allowable Costs (“CYC Allowable Costs”).

14.3 To meet the obligations of the HIF funding agreement there will be a clawback mechanism in favour of CYC whereby CYC recovers any additional land value generated from plot sales following the recovery of all Allowable Costs and a reasonable Master Developer return as defined in the terms of the HIF grant. The clawback of land value in favour of CYC in accordance with the terms of the HIF grant is committed to in this Partnership Agreement. Land Value will be recovered through the Master Developers land receipts. There will therefore be a bi-annual review of viability and land receipts by Delivery Coordination Board.

14.4 Proposed distribution of land receipts in the following order:

- Master Developers able to recover their Priority Returns in their Allowable Costs to bring the site to the market [Priority Returns are the costs of relocation of MDU for NR and extra over EUV for land paid by Homes England].
- CYC Allowable Costs
- Remaining Master Developers Allowable Costs [Eligible Expenditure for non Priority Return Allowable Costs include existing costs, EUV of land, relocation costs, estate management, professional fees and Project Team fees (for Master Developer from April 2019)]. This amount is uncapped but must be within the categories of Eligible Expenditure and signed off as such by an independent, appropriately qualified, person.
- Master Developers return of 20% on their Allowable Costs, in accordance with terms of the HIF grant.
- Recovery by City of York Council (up to the £77m HIF funding) to reinvest in housing delivery in the city (must be outside York Central)
- Any land receipt beyond this will be retained by the Master Developers

14.5 It should be noted that allowable costs could include any Off Plot Infrastructure delivered by the Master Developers and/or their private sector

developer partners. There will be full disclosure given on Allowable Costs and they could be audited by any Partner.

14.6 Should the Parameters of the Outline Planning Permission change to reduce the lower end of the range of commercial floor space quantum defined in the Outline Planning Permission then this will trigger a review of the agreed distribution of land receipts set out in 14.4 in order to support the recovery by CYC of any outstanding EZ borrowing.

## **15 Community Engagement and Communications**

15.1 All Partners will continue to undertake wide ranging community engagement in the further development and delivery of York Central in line with an Engagement Framework agreed by the Partnership.

15.2 All Partners will be responsible for their own communication, however it will be essential this is coordinated and Partners will commit to doing this. The Master Developers will lead on this coordination.

## **16 Long Term Management**

16.1 The Master Developers will seek to establish a governance and charging mechanism for the long-term management of the completed development and its public realm.

16.2 CYC will adopt the highways where appropriate.

## **17 Duration**

17.1 York Central is a long term project, this Partnership Agreement will therefore last the duration of fifteen years from the point of signature.

17.2 The duration shall be reviewed on an annual basis and the Partners can agree to extend this at Delivery Coordination Board.

17.3 Should the in-built flexibility to the Parameters of the Outline Planning Permission and related Design Guidelines not be sufficient to respond to any changes the Partnership may require in future or a departure from these is sought as part of the site's development then a member of the Partnership will be able to request an exception to the aforementioned requirement that

York Central must be built out in line with these. The Partnership member must present a justification case to the Delivery Coordination Board and seek agreement to this exception and this will require the relevant planning permissions to be sought.

## **18 Dispute Resolution**

18.1 Any disputes between the Partners should be sought to be resolved at Delivery Coordination Board in the first instance.

18.2 Should this not resolve the issue any issue can be escalated to the Strategic Board who will seek to find a resolution.

18.3 Should Strategic Board not be able to resolve the issue any Partner may request arbitration by an independent person. The dispute shall be referred to an expert to be agreed upon by the parties, or failing agreement, to an expert nominated by the President for the time being of the Royal Institution of Chartered Surveyors and the expert's determination of the issue shall be conclusive and binding.

## **19 Termination**

19.1 The Agreement can be terminated if there is a material breach by one or more Partners which is incapable of rectification. [Note: The definition of material breach will recognise that this cannot be for something that is outside individual Partnership members' control]

19.2 The Agreement can also be terminated by Agreement at Strategic Board.

## **20 Annexes to be finalised**

- Master Programme
- Off Plot Infrastructure Package List
- Master Off Plot Infrastructure Cost Plan
- Master Vacant Possession Plan
- Baseline Development Appraisal and Allowable Cost Schedule
- Terms of Reference for Delivery Coordination Board and Strategic Board

This page is intentionally left blank

## York Central Engagement Framework

### Why an Engagement Framework for York Central?

The York Central Partnership is making a clear public commitment to engagement for the lifetime of the York Central project through this Engagement Framework. We want to ensure as many people engage with the development of the site as possible through extensive and diverse engagement in a conversation that will last throughout the development. This framework provides the overarching principles for engagement, the themes and our long term commitments to engagement.

### Key Principles

To ensure consistency through the lifetime of the project all engagement on York Central will be based on the following **six key principles of engagement**:

- *Establish trust in the process and the project*
- *Transparency as default*
- *Sensitivity in building relationships and providing consistency:*
- *Clarity on the processes and stages of engagement, what is discussed when and how it informs the design*
- *Clear communications which are accessible and appropriate*
- *Interesting formats to encourage people to engage*

More detail on each of these principles is given in Annex 1 at the end of this Framework.

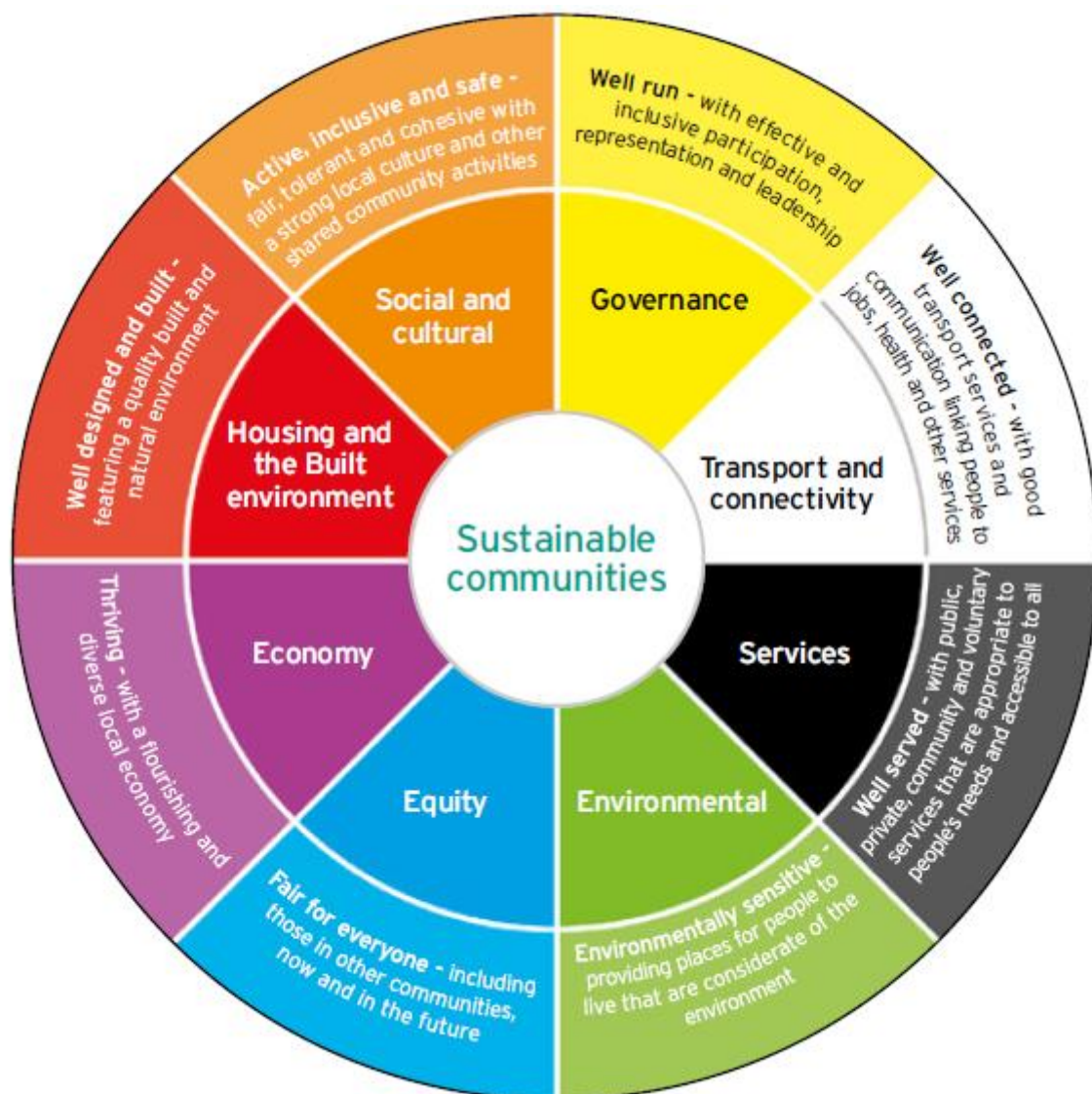


Pop-up event at York Residents Festival January 2018

## Components of a Sustainable Community

To support the engagement a structure has been identified to prompt discussion and begin a conversation which is relevant for the lifetime of the project.

This structure is based on the **eight components of a sustainable community** as identified in the wheel shown below, which provides us with key themes to engage and build the project on. This is not to say that engagement can't be on topics outside or going across these themes though, this simply provides a framework to start the conversation.



## Our Engagement Charter

Our long term commitments to engagement are set out below in our engagement charter:

1. We commit to engaging on York Central in a conversation that lasts for the lifetime of the project.
2. We commit to engaging based on our six key principles of engagement.
3. We commit to building knowledge and understanding of the York Central site itself, which could be through site tours and other on-site activities and/or digitally through film and photography.
4. We commit to providing opportunities to enable people to engage with, and build knowledge and understanding around, the planning and development process and place making.
5. In addition to providing forums and methods of engagement ourselves we commit to supporting and encouraging communities to engage with York Central in their own ways.
6. We commit to engaging on York Central in the context of all proposed development in the locality, being clear on those proposals and how they fit with York Central and aligning engagement where possible.
7. We commit to ensuring interested people and organisations are kept up to date regularly. This could be through a monthly newsletter and regular “updates” on the website, proactively using the website to share as much as possible as soon as possible, as well as the Community Forum.
8. We commit to monitoring and evaluating the engagement process regularly, seeking feedback on how it’s going and collating demographic and geographic data and analysing it to assess whether we’re reaching all communities, responding to any identified gaps.



## Annex 1 – Six Key Principles of Engagement

- *Establish trust in the process and the project:*
  - Transparency, clarity and sensitivity form the basis of rapport and trust
- *Transparency as default:*
  - We share as much as possible as soon as possible
  - Comprehensive reports from each stages of the engagement process
  - Clear summaries of information for easy access and full transcripts for detail
  - Clear audit trail from engagement to outcome
- *Sensitivity in building relationships and providing consistency:*
  - The proposals relate to homes and people
  - It takes time to build relationships through the project
  - Engagement will last the lifetime of the project and will include a number of steps
  - Consistent points of contact should be maintained through the project
- *Clarity on the processes and stages of engagement, what is discussed when and how it informs the design:*
  - Clear process with stages of engagement
  - Being clear how and when will we engage with people
  - Clarity on what aspects of the project will be debated at each stage and how engagement informs the outcome
  - Allow adequate time for people to absorb and feedback
- *Clear communications which are accessible and appropriate:*
  - Accessible engagement
  - Appropriate language and graphics
  - Range of methods to meet range of demographics
  - Creative approach to engagement formats
  - Clear reporting
- *Interesting formats to encourage people to engage:*
  - Tailored, diverse, distinctive techniques which also include some fun
  - Appropriate methods which are flexible and responsive to the needs of stakeholders
  - Contribution to capacity building and general up-skilling where possible





---

**Executive****17 January 2019**

Report of the Director of Economy and Place  
Portfolio of the Executive Members for Environment and Planning and  
Transport

**A Clean Air Zone for York****Summary**

1. The Executive meeting of 25 January 2018 approved:
  - a. The introduction of a local bus based Clean Air Zone (CAZ), subject to consultation with local bus operators, the public and others;
  - b. The introduction of an improved minimum emissions standard for CYC contracted local bus services;
  - c. Adoption of anti-idling measures (including enforcement) targeted at all vehicle types.
2. This report sets out options and timescales for the improvement of emissions standards of vehicles operating on the local bus network.

**Recommendations**

3. The Executive is asked to note the content of the report and to:
  - a. To support the introduction of a Clean Air Zone (CAZ) for vehicles operating local bus services from January 2020 by making a request to the Traffic Commissioner pursuant to section 7(1) of the Transport Act 1985 for him to exercise his powers under that section to impose traffic regulation conditions designed to reduce air pollution.
  - b. To permit a twelve month 'sunset period' from January 2020 when vehicles not meeting the CAZ requirement may continue to be operated if evidence can be submitted by an operator that an order for

retro-fitting of an existing vehicle, or procurement of a replacement Euro VI (or better) vehicle has been placed, but not yet delivered.

- c. To recommend to Council, via the budget report in February 2019, a budget of £1.64m to establish a competitive grant fund for bus operators financed from prudential borrowing, noting the annual revenue implications of £115,000 per annum;
- d. To note the potential for grant funding to offset the cost, and that any amendment to the Council contribution will be notified in future reports to Executive;
- e. Approve the procurement of contracted bus services with Euro VI minimum emission standard and in line with the service levels offered on the existing tendered bus network. The results of the procurement exercise will be considered at a further Executive following receipt of tenders. A summary of the routes to be re-tendered is included at annex 4 to this report;
- f. Recognise the progress made towards tackling anti-idling measures and proposals for addressing bus idling from January 2019. Detail concerning the action proposed to address local bus idling is considered at annex 5 to this report.

**Reason:** To improve air quality in York through the acceleration of improvements to bus emissions levels

## **Background**

4. The Environment Act 1995 requires all local authorities to review and assess air quality in their areas and to declare Air Quality Management Areas (AQMAs) where UK health based air quality objectives are not being met.
5. Where an AQMA is declared, an Air Quality Action Plan (AQAP) must be developed to demonstrate how the local authority intends to improve air quality. York's third AQAP was adopted in 2015. The evidence base for AQAP 3 identified older diesel buses as a significant source of air pollutants. Measures to improve the emission standards of buses and reduce bus idling (as part of a wider anti-idling campaign /enforcement) are key measures in AQAP3. These measures are part of a wider package of air quality improvement measures which together are

currently predicted to deliver the health based air quality objectives for all pollutants in the city by around 2021.

6. On 25 January 2018 the Executive approved the introduction of a Clean Air Zone (CAZ) within and including the inner ring road in 2020 subject to consultation with local bus operators and the general public. The aim of the bus-based CAZ is to establish minimum emission standards for all buses used on local services based on their frequency of entry into the city centre. The majority of services will be required to be ultra-low emission or Euro VI by the agreed CAZ introduction date whilst less frequent services will be given a longer timetable to upgrade. A graduated approach was proposed to give operators time to plan and upgrade vehicles as part of their business planning whilst maintaining current levels of bus service. The aim is to address the highest polluting bus services as a priority. The full CAZ proposals are included at Annex 1 to this report.

## **Consultation**

7. The consultation on the CAZ was published on the Council's website and was open for responses for a 6 week period closing on 3 August 2018. The CAZ questionnaire is included at Annex 2.
8. The questionnaire asked eight specific questions and also asked respondents for any further comments they might have on the proposed introduction of a CAZ.
9. There were 254 responses via the questionnaire, together with 6 additional submissions via email and letter.
10. A summary of the responses to the specific questions are recorded at Annex 3. Ninety-five additional comments were included within the consultation responses.
11. A public session was held at West Offices for people to give their views. This was attended by one member of the public. In addition, bi-lateral meetings have been held with representatives of bus operators 'First York' and 'Connexions buses', the two operators most impacted by the proposed CAZ because they operate the greatest number of vehicles which would require upgrade under the current proposals and for whom there are the greatest financial implications. This follows briefings held with the York Quality Bus Partnership, attended by all of the city's bus operators, over several years.

## Responses to the consultation

12. The headline results of the consultation are as follows:

- Overwhelming support for a bus-based Clean Air Zone in York city centre to improve air quality and public health (90%);
- Overwhelming support for the proposal for the boundary of the CAZ to be within and including the York inner ring road (82%)
- General support for the proposed timetable to implement the CAZ by 2020 (64%) with detailed comments and a variety of alternative dates mentioned. It should be noted that many of the respondents may not be aware of the work, cost and availability of new vehicles or retrofitting of existing vehicles to meet the CAZ emission standards and therefore may have unrealistic ambitions with respect to the possible timetable for upgrading the fleet.
- An overwhelming majority (85%) thought bus operators should be responsible for providing lower emission buses in York, but significant numbers thought that City of York Council and central government should also be responsible (59% each). It should be noted that only 14% supported provision of lower emission buses through increased fares.
- 90% of respondents were York residents with 34% working in the city centre. 13% of those responding stated they had a health condition affected by poor air quality.
- 91% of respondents were concerned about air quality in York (59% were very concerned). Only 9% were not all concerned.
- Only 18% said the proposed CAZ should apply to local buses only.

13. The most significant issue raised by respondents in their additional comments related to the inclusion of other types of vehicles within the proposed CAZ. These were:

- |                                 |     |
|---------------------------------|-----|
| • HGVs                          | 34% |
| • Light goods vehicles / vans   | 27% |
| • Taxis / private hire vehicles | 25% |
| • All cars                      | 23% |
| • Diesel cars                   | 31% |
| • Coaches                       | 24% |

13% of respondents wanted all cars banned from the city centre;

10% were concerned about the impact of the proposed CAZ on bus services;

10% wanted the CAZ to cover a wider area;

6% wanted a congestion charge for vehicles in the city centre;

6% questioned the data behind the report and the contribution of buses to poor air quality;

### **Response from bus operators and their representatives**

14. The York Quality Bus Partnership (QBP) is the collective body representing public transport operators in the City in partnership with CYC as the Transport and Highways Authority for the area. The QBP's members welcome the opportunity to work with the Council to improve air quality. They state that buses have a significant contribution to make to improve air quality.
15. The QBP query the data in York's Third Air Quality Action Plan that bus movements account for 3% of traffic in York but cause 27% of pollution. They cite the forthcoming upgrade to the Park & Ride fleet as further evidence that if the Action Plan data is not incorrect now, it will be within the next year. They also state that emissions per passenger travelling are far lower on buses due to the significantly higher capacity when compared to that of the private car.
16. The QBP and some other respondents state that buses are being singled out for emission reduction via the CAZ. They want measures targeted where problems are greatest to ensure the best return can be made for any costs incurred. They link this to a cost-benefit analysis to strike the right balance between environment, economy and social objectives. Any application for a Traffic Regulation Condition (or a Road Pricing scheme) will need to be evidence based if it is to stand up to public scrutiny. They warn of a legal challenge.
17. The QBP is concerned that a CAZ could lead to the loss of some local bus services which the Council could not afford to subsidise and to higher fares for bus passengers. The response refers to two local bus operators that have recently ceased to operate, citing the difficult trading conditions for bus operators at the current time. They also suggest that a CAZ could be a barrier to new bus operators entering the York bus market.

18. The QBP is concerned about the capacity of the exhaust retro-fitting industry (to bring buses up to Euro VI standard) in time for a CAZ introduction in early 2020.
19. The QBP would prefer future voluntary arrangements and a renewed partnership with the Council to promote bus usage and discourage cars in the city centre through measures including increased car parking charges, rather than a CAZ.
20. First York responded to say they are “committed to playing their full part in addressing future emissions”. They want a positive partnership with CYC to improve air quality, but not a CAZ. They say their use of anti-idling devices has led to a reduction in engine idling thereby reducing emissions. They propose that buses are part of the solution as well as being part of the problem.
21. First York believe the CAZ proposals are insufficiently evidence based. They regard the AQAP3 proportions of emissions from buses relative to other traffic ranges up to a maximum of 3% of traffic (buses) producing up to 27% of pollution as a worst case example. They suggest that an updated emission source apportionment and cost benefit analysis should be undertaken to ensure that emission reduction policies are being correctly targeted at those vehicles which have the greatest emission impact.
22. First York will deliver a Euro VI or better bus services but do not believe that they should shoulder the full burden of this cost and that a proportion should come from the public sector. The CAZ would affect all First York services and take the view that the proposed introduction date of 2020 would give them insufficient time to either purchase new or retro-fit existing buses.
23. First York make the point that Leeds City Council is investing heavily in supporting bus retro-fits to ensure compliance with their CAZ using Government funding as well as undertaking significant bus priority measures to improve journey times.
24. First York is concerned that a CAZ introduced in York in 2020 will lead to the withdrawal of local bus services, higher fares and therefore a poorer service for customers.

25. Table A (below) shows First York's current bus fleet. It also shows their projected fleet for October 2019 and March 2020 in the event that:
- The new Park & Ride electric buses have been introduced;
  - A Clean Air Zone is not implemented;
  - No third party (central or local government) funding is made available to assist with the delivery of additional Euro VI buses

<b>Table A</b>			
<b>Emissions standard</b>	Dec 2018	October 2019	March 2020
Euro II	2	-	-
Euro III	28	18	-
Euro IV	32	32	50
Euro V	32	17	17
Euro VI	-	6	6
Electric	12	33	33

26. First York commits not to relocate more, older diesel buses to York as CAZs are introduced in Leeds and elsewhere. First York state that they are prepared to work closely with CYC to submit bids for central government funding to enable a greater uptake of Euro VI buses.
27. In the event that no central or local government funding is made available, they state that they could achieve an all Euro VI / electric fleet by 2025. However, this will still be dependent on the business generating the necessary revenues to pay for new vehicles, retrofits or cascade of compliant vehicles from elsewhere.
28. In their response, Arriva Yorkshire references the large increase in diesel cars and the resulting emissions in recent years. They want more support for bus operators to improve air quality and a partnership with the Council to achieve this. They mention the costs involved in complying with the Leeds CAZ in 2020 and the limited capacity for retrofitting. Research by the Low Carbon Vehicle Partnership claims that emissions from Euro VI diesel buses are less than Euro VI diesel cars. They take the view that CYC should promote public transport over private cars.
29. York Pullman, a coach and CYC's home-to-school bus operator, reference their investment in Euro V and retrofitting older buses to Euro VI, plus 6 new Euro VI buses. They support the CAZ proposals and say that all school contract buses will be upgraded to Euro V by 2021. They

say there are no ultra low emission coaches currently available on the market.

30. Transdev Blazefield outlines their existing and proposed investment in low emission vehicles. By 2020 their plan is to have:

- City Sightseeing bus fleet 100% fully electric operation following conversion from diesel operation;
- Coastliner bus fleet 100% Euro VI operation (new vehicles);
- City Zap bus fleet 100% Euro VI operation (following conversion from Euro V);
- CYC tendered bus services are due for re-tendering before 2020 so it is anticipated that these would become compliant in line with the Council commitment to require Euro VI (or better) emissions standards for its contracts;
- The remainder of their fleet would be exempt from the proposed CAZ as they enter the city less than 5 times a day or do not enter the proposed CAZ at all.

Therefore the impact of the CAZ on Transdev is very limited as they are already in the process of upgrading their fleet. Transdev do acknowledge, however, that other operators' fleets could be impacted more significantly.

Transdev support the 5 times a day entry criteria for buses but point out potential anomalies. They suggest exemptions for bus routes operating on a less than hourly frequency. They would like to see other vehicle types included within the CAZ.

31. Although they did not respond to the consultation whilst it was open, Connexions buses has subsequently commented on the proposed introduction of emissions restrictions on local bus services operating in to the city centre. Connexions state that in the event that these restrictions were introduced, they would no longer be in a position to continue to operate route 13 (currently operated without local authority subsidy) without significant financial support.

## **Analysis of bus operator responses**

### ***The evidence base for introduction of a CAZ***

32. It is acknowledged that new electric vehicles will be introduced on the Park & Ride network in 2019 following a successful bid for Government



funding and that this will have an impact on the evidence base for the source apportionment for vehicle emissions in the city centre.

33. The evidence presented in the January Executive report showed a snapshot of emissions from buses and other vehicles and their contribution to pollution at various locations in the city at a particular point in time. This was to obtain an understanding of the contribution of different vehicle types to pollution. It is accepted that these figures are now out of date due to a number of factors including:

- upgrading of the bus fleet
- upgrading of vehicle emission standards in general
- the change in proportion of more polluting diesel vehicles
- cheat and gaming devices to give incorrect emission values
- real world emissions being much higher than test laboratory conditions
- the proportion of older buses on York's roads

An updated source apportionment study would involve considerable expense (estimated around £50k) and would take 6-12 months to achieve. It would have considerable resource and cost implications for the local authority. Like the previous study it would be accurate at the time it is undertaken.

### ***Why are buses the focus of the proposed Clean Air Zone***

34. Some respondents express concern that buses are singled out for emission reduction via the CAZ, but may be unaware of other measures delivered and proposed in York's Low Emission Strategy and third Air Quality Action Plan. These include:

- Reducing all emissions through the planning process which includes requirements for electric vehicle charging points in all new developments to incentivise electric vehicle uptake
- A comprehensive electric vehicle charging network in York to incentivise the uptake of electric vehicles
- A move towards emission based parking policies to incentivise ultra low emission vehicles
- A taxi incentive scheme and emission-based taxi licensing policies to incentivise the transition from diesel to ultra low emission taxis

- A review of the council fleet to reduce emissions from all types of vehicles

### ***Why do we need a CAZ to make this happen?***

35. As reported at the January 2018 Executive and not disputed by bus operators, the approximate cost of each bus retro-fit is approximately £15-20,000. Bus operators regard this as a sunk cost which is evidenced not to increase the number of passengers using bus services. To this end, unlike the purchase of new buses which is evidenced to result in patronage gains, there is little commercial benefit to retro-fitting vehicles for bus operators.
36. Without the proposed introduction of a CAZ, it is highly unlikely that operators of commercial routes would choose to retro-fit buses of their own accord.

### ***Challenges in the introduction of Clean Air Zones***

37. The proliferation of Government mandated Clean Air Zone introductions across the UK, the industry argues, will potentially have an impact on the timescales for (and potentially cost of) bus exhaust retro-fit and indeed, the supply of new Euro VI buses. This, the operators argue, will make meeting the requirements of a CAZ in early 2020 challenging if not impossible for them.
38. Leeds City Council is mandated by Government to introduce a CAZ not later than January 2020. A recent report to the Executive of Leeds City Council (18 October 2018) presented the following issues identified by operators providing local bus services:
- The short timescale to implementation: a sunset period is seen as critical whilst awaiting retrofit or new vehicle deliveries;
  - The risks associated with daily CAZ charges for non-compliant buses being passed onto passengers; which in turn could de-incentivise the modal shift away from cars to public transport;
  - The bus companies feel the Government CAZ framework is set in inverse proportion to the actual source of emissions and this should be addressed;
  - They would like to see more focus and proportionate charges on the emissions per passenger as they highlight these as being much higher with car use than bus use;

- There is a small risk that the total funding available through the Clean Bus Technology Fund (CBTF) will not be sufficient;
- The need to improve bus journey times through congestion measures such as traffic light sequencing and reducing car use etc. was highlighted as key to increasing bus patronage.

39. It is worthy of note that for vehicles operating local bus services in Leeds, over £4m of Government CBT funding has been made available to operators for the retro-fitting of buses to Euro VI standard. Further, to address concerns about the market not being able to cater for retro-fit (or new vehicle) demand, Leeds City Council has also included an exemption (sunset period) for companies that have taken appropriate action such as ordering a new vehicle or booking a retrofit but where the market cannot respond quickly enough. For a company to benefit from this sunset period, the company will have to be able to evidence that they have taken action within 6 months of the scheme approval by Government, anticipated to be December 2018.<sup>1</sup>

40. There is no reason to doubt that York's bus operators would face the same challenges if the introduction of a CAZ in York was to be mandated for January 2020.

### ***Officer Comments on Consultation Response***

41. In response to comments made by individual operators as part of the consultation on the York CAZ:

#### ***First York***

- No conclusions can be drawn from the fact that the Government has not made a CAZ compulsory for York since their decision was based on less accurate modelled data and not York's more accurate locally monitored air quality data.
- Whilst air quality continues to improve at all monitored locations across York and it is projected that the health-based air quality objectives will be met at all locations in York around 2020-2021, this depends on all the measures in the LES and AQAP3 being delivered, including the CAZ by 2020.

---

<sup>1</sup> Leeds City Council Executive Board Public Document Pack, 17 October 2018, item 8. Available: <https://democracy.leeds.gov.uk/mgChooseDocPack.aspx?ID=8193>

- CYC is willing to work with other local authorities and central government to encourage and bid for funding for the retrofitting of buses, but this should not deflect from the need to significantly reduce emissions from buses in York in the very near future.
- A continuing partnership is to be welcomed but it must achieve significant reductions in pollution by 2020-21. If bus emissions are not improved in the immediate future it is unlikely that national air quality objectives will be met in York by 2021. CYC is under a continued legal obligation to work towards delivery of the national air quality objectives.
- Notwithstanding the intensive investment in the York P&R electric fleet, in comparison to the level of investment made by First Leeds in new vehicles (£71m on 284 brand new Euro VI buses), the c.£1.34m required to retro-fit the 67 buses not meeting the Euro VI standard by 2020 is comparatively meagre.
- CYC submitted a bid to the Government department for Environment, Food and Rural Affairs (DEFRA) at the end of November 2018 for funding to retro-fit a number of buses (up to 12) to Euro VI standard. CYC worked in partnership with First York and other operators to submit the bid and we are currently awaiting the outcome.
- CYC is exploring opportunities to deliver a more comprehensive retro-fit or vehicle replacement programme making use of the Government's 'Transforming Cities' fund through Leeds City Region.

### ***Connexions***

- Connexions operate a commercial bus services which, does not deliver significant profit margins to this relatively small independent operator. It is also recognised that, in common with a number of First York operated services which fall in to the same category, it nevertheless, provides a key transport link to certain parts of the city. Members will have to consider the extent to which they would be prepared to financially subsidise bus services in the event that they could no longer be provided on a commercial basis, or whether their ceasing would be preferable than a failure to deliver cleaner air in York city centre.

## Options

### 42. Option 1

Introduce the CAZ in January 2020 in line with Annex 1. This is subject to full Council allocating £1,640,000 through its 2019/20 budget process.

### 43. Option 2

Progress the introduction of cleaner buses by working in partnership with operators to agree a programme of planned retro-fit / bus replacement measures for the next 2 years. This would be achieved through a combination of agreed levels of private investment and public financial contributions. CAZ controls anticipated to be implemented in January 2021, to enable sufficient time for retro-fitting or the procurement of new buses. This implementation date would be subject to successful public sector funding bids.

### 44. Option 3

Progress the introduction of cleaner buses without the introduction of a formal CAZ by working in partnership with operators to agree a programme of planned retro-fit / bus replacement measures for the next two years. This option would be supported using a combination of agreed levels of private investment and public financial contributions. The rate of expected investment would be linked to the level of public investment becoming available through grant applications. CAZ controls to be implemented in January 2022 should exceedances of air quality objectives still exist at the end of 2022 subject to successful public sector funding bids.

### 45. Option 4

Introduce the CAZ over a longer period to reflect the timescales in which operators could realistically upgrade their fleets without the requirement for additional subsidy as per table B below:

<b>Table B</b>	
<b>Introduction date</b>	<b>Minimum emissions standard required</b>
<b>January 2020</b>	Euro III
<b>January 2021</b>	Euro IV
<b>January 2025</b>	Euro VI

## Analysis

### Option 1

46. Ninety percent of respondents to the public consultation supported the current proposals for a bus only CAZ to be implemented by 2020 with only five percent opposing. The original proposal for the CAZ envisaged its introduction in 2018. To this end, the proposals are already two years behind the initial schedule. The effectiveness of a CAZ declines over time due to introduction of cleaner vehicles onto the road. Some of these improvements were factored into the original study such that the reduction in emissions from a CAZ introduced now will be less than they would have been if it had been implemented in 2018.
47. This option provides the quickest route for delivery of the CAZ, reduction of emissions from older diesel buses and improvements in air quality and public health. The CAZ only reduces emissions from buses (there are other AQAP3 measures to reduce emissions from other vehicle types but some of these are behind schedule, namely those relating to emissions from delivery vehicles). The evidence for the disproportionate impact of buses upon emissions dates from a study in 2011; since then the traffic composition may have altered, some buses have been upgraded and more is known about real world vehicle emissions.
48. Some bus operators and their representatives challenge the evidence basis for targeting buses (though other vehicles are dealt with through other measures) and may use this as a legal basis to challenge the CAZ.
49. As highlighted earlier in this report (see paragraphs 40-41), it is likely that local bus operators would find it challenging to implement universal adoption of a minimum Euro VI standard by January 2020.
50. The introduction of a CAZ in January 2020 will require the upgrading or replacement of approximately 82 buses within the York fleet. This is in addition to buses which will be upgraded in any event due to prior commitments (e.g. the introduction of a new fleet on the York Park & Ride network).

51. It is anticipated that approximately 70 of the buses will be capable of Selective Catalytic Reduction equipment (SCR) exhaust retro-fit to meet Euro VI standards. The anticipated cost of this work is in the region of £20,000 per vehicle.
52. For the avoidance of doubt, it is anticipated that the Council would hold a competitive process which all seven operators currently providing local bus services in the City of York area, as well as any others who are actively planning to operate here, would be eligible to bid for. The Council would not be buying any equipment itself.
53. It is recognised that the undertaking of this work will deliver no discernible benefit for the bus operator and that therefore some level of public funding will be required to support this work. It is also anticipated that the upgrade to Euro VI standard would increase operating costs for each vehicle due to the requirement for the use of Diesel Exhaust Fluid (known as 'AdBlue').
54. Funding has been sought by the Council from a number of sources including the Department for Environment, Food and Rural Affairs' Air Quality Grant Programme to assist with this process.
55. For the remaining 12 buses which cannot be upgraded due to their age, replacement vehicles would need to be procured. The most cost effective replacement would be to procure Euro IV or V vehicles at approximately £40-50,000 per vehicle and then to retro-fit them to Euro VI standard.
56. It is anticipated that the individual operators would meet the cost of procurement of replacement vehicles. The Council might, however, consider bearing the cost of the additional £20,000 required to fit SCR equipment to bring these vehicles up to Euro VI standard.
57. Table C below summarises the anticipated capital cost of this work:

<b>Table C</b>			
Work required	Approximate number of vehicles	Estimated capital cost to the Council (£)	Estimated capital cost to operators (£)
Retro-fit of existing buses in York fleet	70	1,400,000	
Purchase of replacement buses	12		600,000
Retro-fit of replacement buses	12	240,000	
<b>Total cost</b>		<b>1,640,000</b>	<b>600,000</b>

58. There is a risk that even with the provision of funding for this work, the retro-fit industry is unable to deliver this work in time for the proposed January 2020 introduction. This is due to the wide spread implementation of CAZs across the UK. The Executive may wish to give consideration to a sunset period as per the arrangement in Leeds, where non-compliant buses might be able to continue to operate if an order for a vehicle retro-fit or new vehicle has been placed but the work has not been undertaken by January 2020.
59. The January 2018 Executive required that all vehicles to be used on CYC funded local bus services should be Euro VI emissions standard when the contracts were renewed. In addition to the CAZ proposals, members should be aware that approximately eighty percent of the current local bus contracts require re-tendering by CYC in 2019. In light of the regional and national pressures on supply outlined within this report, there is a significant chance that there will be a delay in the introduction of the Euro VI buses on the locally tendered network.

## Option 2

60. This option delivers air quality, health and environmental improvements which would meet with Government and public expectations. It recognises, however, the pressures faced by operators locally and nationally to invest heavily within a short period of time in



new buses or retro-fit technology. It also recognises the pressure which the bus manufacturing and retro-fitting industry is facing to deliver vehicles in time for the launch of a number of CAZ schemes in early 2020.

61. CYC has met with the bus operators whose businesses are most significantly impacted to better establish the likely timescales for introduction of new Euro VI buses or the retro-fitting of existing buses to Euro VI standard. If this option is selected, it is recommended that this approach is extended to the other five operators providing local bus services in York.
62. With the support of a number of bus operators, CYC has submitted a bid to the Government's Air Quality Grant Scheme (2018/19). If successful this bid would secure funding for the retro-fitting of 12 buses. Bids to further Government funding opportunities will be made by CYC as the opportunity presents moving forwards. Consideration could be given by CYC to make further capital funding available.

### **Option 3**

63. This option, in common with option 2, would result in a CAZ only being introduced in the event that sufficient partnership progress had not been made with operators over the course of the next two years.
64. The option would demonstrate CYC's confidence in the bus industry to deliver the required improvements within a period of time agreed between CYC and the operators on a partnership basis, rather than insisting that the operator meets certain deadlines.
65. Every English local authority is required under Part IV of the Environment Act 1995 to produce an Air Quality Action Plan (AQAP) as a means to address the areas of poor air quality that have been identified within the AQMA. The emphasis within AQAPs should be to develop measures that will provide the necessary emissions reductions to achieve the air quality objectives within specified timescales considered acceptable to DEFRA. AQAP3 states York's aim to meet the air quality objectives in all areas by 2021 and this has been accepted by DEFRA. Deferment of AQAP3 measures such as the CAZ leading to CYC failing to meet the air quality objectives within the previously agreed timescale could lead to legal challenge and Government action.

66. Complete abandonment of CAZ proposals could result in bus operators delaying the upgrading of their fleet. National bus operators could choose instead to focus their attention (and budgets) on areas where there is greater pressure to improve their emissions standards.

#### **Option 4**

67. This option would enable local bus operators to make improvements to their fleet within a timescale which they maintain could be reasonably delivered without the risk of withdrawal of local bus services or fares significantly above normal market levels.
68. In line with the comments applying to option 3 above, however, CYC still has a legal duty to meet its air quality objectives by 2021. Further deferral of measures which would ensure that this happens could lead to legal challenge and Government action. Complete abandonment of CAZ proposals could result in bus operators delaying the upgrading of their fleet. National bus operators could choose instead to focus their attention (and budgets) on areas where there is greater pressure to improve their emissions standards.

#### **Council Plan**

69. Poor air quality affects the health and economy of York's residents and businesses. Whilst electric buses are cheaper to operate, require less maintenance and can at least be part funded through grants, they have higher capital costs.

#### **70. Implications**

##### **Financial**

The recommended option would require insertion of approximately £1.64m of funding. External funding is being sought to meet this requirement. In the event that sufficient funding is not secured, the Council would have to consider whether it is prepared to allocate funding for the purpose of retro-fitting buses through the budget allocation process for 2019/20 in February 2019.

The ongoing revenue implications associated with borrowing £1.6m is £115k per annum. This will be incorporated into the 2019/20 budget strategy report in February 2019.

The cost of implementing the mechanism through which the CAZ would be imposed, a Traffic Regulation Condition (TRC), is thought to be very modest and not requiring of on-street signage.

**Human Resources (HR)** (Contact – Head of HR) – N/A

### **One Planet Council / Equalities**

The proposals are significant measures to improve air quality and reduce emissions of carbon and traffic pollution in the city.

### **Legal**

Unlike charging clean air zones for which there are specific statutory powers there is no specific legislation underpinning non charging clean air zones such as the one being proposed. Depending on the nature of proposals within a non charging clean air zone a variety of legal powers may be used to support its aims.

In this case the proposal would be for the Council to make a request the Traffic Commissioner pursuant to section 7(1) of the Transport Act 1985 for him to exercise his powers under that section to impose traffic regulation conditions designed to reduce air pollution. The Act only allows the Commissioner to impose such conditions if he is satisfied after considering the traffic in the area in question, that such conditions are, or are likely to be, required in order to inter alia reduce air pollution. The decision must therefore be evidence based. The Act sets out the matters which may be covered by conditions. This includes routes and matters prescribed in Statutory Instruments . The Public Service Vehicles (Traffic Regulation Conditions) (England and Wales) Regulations 2004 allow for conditions regulating the emission levels of vehicles used in providing services.

Any decision the Executive makes must follow proper public law decision making principles. In particular the Executive is bound to properly consider the consultation responses when making its decision.

The Executive is bound to take into account all relevant considerations. Given the acknowledged deficiencies in the evidence base for emissions the Executive will need to consider whether it has sufficient evidence to make a decision.

The Executive is not entitled to make an unreasonable decision or at least one which is so unreasonable that no properly advised decision making body could have reached it. If the Executive accepts that market is unlikely to be able to meet the demand for retro fit vehicles then it is difficult to see how a decision based on it being able to do so could be sustained.

Every English local authority is required under Part IV of the Environment Act 1995 to produce an Air Quality Action Plan (AQAP) as a means to address the areas of poor air quality that have been identified within the AQMA. The emphasis within AQAPs should be to develop measures that will provide the necessary emissions reductions to achieve the air quality objectives within specified timescales considered acceptable to DEFRA. AQAP3 states York's aim to meet the air quality objectives in all areas by 2021 and this has been accepted by DEFRA. Deferment of AQAP3 measures such as the CAZ leading to CYC failing to meet the air quality objectives within the previously agreed timescale could lead to legal challenge and Government action.

State Aid legislation prevents the Council from giving a commercial advantage to an undertaking, such as a bus operator, over any competitor which distorts competition. If the funding is however advertised as part of the procurement process to renew the 80% of the publicly-subsidised services in 2019 then this can help avoid challenges.

Most of the services within York are however non-subsidised and an equivalent bidding process for grant aid open to these private operators and conducted at the same time as the re-tendering exercise will ensure transparency and fairness as far as possible. A clear evaluation and selection procedure will need to be developed as part of the preparation.

**Crime and Disorder** (Contact - Senior Partnerships Support Officer, Community Planning & Partnerships) - N/A

**Information Technology (IT)** (Contact – Head of IT) – N/A

**Property** (Contact – Property) – N/A

**Other** – N/A

## **Risk Management**

- 71. Air pollution is a significant risk in delivery of the Council's emerging Local Plan. Reducing emissions from buses is an important element of the AQAP3. Failure to deliver could result in legal challenge from Government or third parties, such as Client Earth.
- 72. There is a risk that the Traffic Commissioner would not agree to the introduction of a TRC. Option 2 is, however, believed to be the lowest risk as it broadly replicates an existing TRC in Oxford.

**Contact Details**

**Authors:**

Mike Southcombe  
Title: Public Protection  
Manager  
Dept Name: Public Protection  
Tel No. 1514

Andrew Bradley  
Title: Sustainable Transport  
Manager  
Dept Name: Transport  
Tel No. 1404

**Chief Officer Responsible for the report:**

**Chief Officer's name** Neil Ferris  
**Title** Corporate Director of Economy and  
Place

**Report**  **Date** 8/1/19  
**Approved**

**Specialist Implications Officer(s)** List information for all

Implication : Financial

Implication: Legal

Name: Patrick Looker  
Title: Finance Manager  
Tel No. 1633

Name: Andrew Docherty  
Title: Asst. Director, Legal & Governance  
Tel No. 1004

**Wards Affected:**

All

**For further information please contact the authors of the report**

**List of Annexes:**

- 1. Approved option for CAZ, Executive, January 2018
- 2. CAZ questionnaire, June 2018
- 3. CAZ consultation response summary
- 4. Local tendered bus routes to be procured in 2019
- 5. Proposal to address local bus idling

**List of Abbreviations Used in this Report**

AQAP	Air Quality Action Plan
AQMA	Air Quality Management Area
CAZ	Clean Air Zone
DEFRA	Department for the Environment, Food and Rural Affairs
FPN	Fixed Penalty Notice
LES	Low Emission Strategy
LEZ	Low Emission Zone
NO <sub>2</sub>	Nitrogen dioxide
PHE	Public Health England
PM10	particulate matter less than 10 micron diameter
TRC	Traffic Regulation Condition
ULEB	Ultra Low Emission Bus

## Approved option for CAZ, Executive, January 2018

## Annex 1

1. The option proposed the introduction of a CAZ by January 2020 with a single emissions standard for a majority of vehicles operating on registered local bus services in York. Certain lower frequency buses would remain exempt from the mandatory standard.
2. This option is broadly based on the LEZ introduced in Oxford in January 2014. The Oxford LEZ is governed by a Traffic Regulation Condition (TRC) imposed by the Traffic Commissioner on all local bus service registrations operating on certain streets in Oxford city centre.
3. Should the Traffic Commissioner agree to the Council's request, an equivalent arrangement in York would see the implementation of a single emission standard applicable to all local bus services using or crossing the York inner-ring road (with the exception of very low frequency buses which would be exempted).
4. York would implement a Clean Air Zone but the controls for the least frequent services would not be mandatory as initially suggested. The table provides details of the minimum emission standards for the majority of the fleet and proposes minimum levels which operators of buses making very low numbers of entries to the CAZ should work to achieve.

	<b>Mandatory minimum emission standard for:</b>	<b>Advisory minimum emission level for:</b>
<b>Implementation date</b>	<b>CAZ required vehicles</b> (5 or more entrances to the CAZ per day)	<b>Exempted vehicles</b> (fewer than 5 entrances to the CAZ per day)
<i>January 2018</i> (Baseline)	<i>1724 visits in to the city centre per day (94%). This represents approximately 126 buses. Some of the buses in this category are still Euro II. Most are Euro III - VI. 12 are fully electric.</i>	<i>102 visits in to the city centre per day (6%). This represents approximately 28 buses. Some of the buses in this category are still Euro II. Most are Euro V-VI.</i>
January 2020 ( <u>CAZ introduction date</u> )	Ultra low emission bus (ULEB) / Euro VI	Euro IV
January 2022	ULEB / Euro VI	Euro V
January 2024	ULEB / Euro VI	ULEB / Euro VI

This page is intentionally left blank



**A 'Clean Air Zone' for York city centre****June 2018****Clean Air Zone Survey**

---

We would like to hear your views on proposals to introduce a new Clean Air Zone for the area of York within and including the inner ring road.

Unlike other parts of the country where a Clean Air Zone is a mandatory requirement, City of York Council is proactively looking to introduce a Clean Air Zone. This will help to reduce the amount of traffic pollutants in York's city centre, which are mainly caused by diesel vehicles. These high levels of emissions can be harmful to your health.

We are looking at many ways to improve air quality in the city centre. One of these options is by working with bus operators to apply the proposed Clean Air Zone to local bus services. We know (through York's Third Air Quality Action Plan) that local bus services make up three per cent of the traffic but cause 27 per cent of the main pollutants in York.

By limiting the number of worst polluting diesel buses which can travel through the Clean Air Zone, this will reduce the amount of harmful pollutants to achieve big benefits.

We do understand, however, that the city's local bus services play a vital role in bringing people into York to work, shop or enjoy the many visitor attractions and amenities so it's important that we hear your views on these proposed changes through this survey. To find out more about which bus services could be affected, or for more background on this proposal, visit:

<http://democracy.york.gov.uk/ieListDocuments.aspx?CId=733&MId=10195>

**Why we need to reduce air pollution**

We don't always see it but air pollution harms our health. Evidence shows that spending time in areas with high levels of air pollution can worsen asthma symptoms, damage lung function and cause other health problems such as heart attacks, strokes and low birth weight. This ill health means time off work and school and a cost to the NHS and our

economy. Poor air quality is also linked to about 40,000 early deaths in the UK every year.

City of York Council has a legal duty to improve air quality to protect health.

### **What are we already doing?**

City of York Council already has several long term policies in place to manage traffic levels and reduce pollution. These aim to:

- Reduce the total number of vehicle trips - by encouraging walking, cycling and public transport use
- Reduce taxi emissions - by mandating emissions standards for taxis operators
- Increase electric vehicle take up by providing electric vehicle charging points, converting some buses from diesel to electric and transferring goods from HGVs to bicycles or lower emission vehicles
- Limit further pollution – by encouraging low emission developments
- Prevent unnecessary pollution by tackling vehicle idling
- Lead by example – by reducing pollution from council vehicles

City of York Council has already assisted bus operators to obtain grants for new electric Tour and Park & Ride buses. We now need to take further steps to reduce emissions from the rest of the local bus fleet.

### **Clean Air Zone Proposal**

The council is proposing to introduce a Clean Air Zone (CAZ). This will require any individual bus operating on a public local bus service, into the Clean Air Zone, five or more times per day to be ultra low emission bus standard.

Ultra low emission buses (ULEBs) are those that have no exhaust emissions (e.g. electric buses) or have significantly reduced pollution emissions such as Euro VI diesel buses, gas powered and electric hybrid buses.

If you want to find out more about air quality in York visit [www.jorair.co.uk](http://www.jorair.co.uk).

To find out more about sustainable travel in York visit [www.itravellyork.info](http://www.itravellyork.info)

**Next steps**

The Council will consider responses to this consultation and a further report will be presented to a meeting of the Council's Executive later in 2018.

### Questions about a Clean Air Zone for buses

- 1) Do you support the proposed Clean Air Zone (CAZ) for local buses operating in to York city centre?
  - Yes
  - No
  - Don't know
  
- 2) Do you agree that buses operating in to the city centre fewer than 5 times per day should be exempt from mandatory emission controls?
  - Yes
  - No
  - Don't know
  
- 3) Do you agree with the proposed area for the CAZ (within and including the inner ring road)?
  - Yes
  - No
  - Don't know
  
- 4) a) Do you think the timetable for introducing a bus based CAZ in York by 2020 is realistic?
  - Yes
  - No
  - Don't know

b) If your answer to question 4a above is 'no', when do you think would be a realistic timetable for introduction?
  
- 5) Who should be responsible for providing cleaner buses in York?  
(Please select one or more of the following)
  - Private bus companies
  - City of York Council
  - Central government
  - Bus users (via increased fares)
  
- 6) How would you usually describe yourself (please tick all that apply)

- I am a York resident
- I am not a York resident
- I work for a local transport operator (including bus, taxi)
- I work in York city centre
- I am a CYC employee
- I have a health condition which affected by poor air quality
- I am responding on behalf of an organisation (*Please name*)

7) How concerned are you about current air quality in York?

- Very concerned
- Slightly concerned
- Not at all concerned
- I have no opinion on air quality

8) Do you think that the proposed CAZ should only apply to local bus services?

- Yes
- No
- Don't know

Please use this space to give any reasons or additional information to support your answers above or any other comments you have about the CAZ proposal.

This page is intentionally left blank

## CAZ consultation response summary

## Annex 3

Question		Number of responses				% responses		
		Yes	No	Don't Know	Total	Yes	No	Don't Know
1	Do you support a CAZ in York city centre?	227	12	13	252	90	5	5
2	Do you agree that buses operating in the city centre fewer than 5 times per day should be exempt from mandatory emission controls?	76	145	32	253	30	57	13
3	Do you agree with the proposed area for the CAZ (within and including the inner ring road)?	208	29	16	253	82	11	6
4	Do you think the timetable for introducing a bus based CAZ in York by 2020 is realistic?*	163	46	44	253	64	18	17

\*5 wanted a shorter timetable: 25 wanted a longer timetable with a variety of dates up to 2028 given

5. Who should be responsible for providing cleaner buses in York? (please tick all that apply)

Private bus companies	206 responses	85%
City of York Council	143 responses	59%
Central Government	142 responses	59%
Bus users (via increased fares)	34 responses	14%

Total responses 241

6. How would you usually describe yourself (tick all that apply)

York resident	215 responses	90%
Work in the city centre	81 responses	34%
Health condition affected by poor air quality	30	13%
CYC employee	24	10%
Responding on behalf of an organisation	10	4%
Not a York resident	7	3%
work for a local transport operator	6	3%

7. How concerned are you about air quality in York?

Very concerned	140	59%
Slightly concerned	75	32%
Not at all concerned	21	9%
I have no opinion of air quality	2	1%
Total responses	238	

8. Do you think the proposed CAZ should only apply to local bus services?

Yes	43	18%
No	178	74%
Don't know	20	8%
Total responses	241	



#### Annex 4 – local tendered bus routes to be procured in 2019

Route	Time of day	Origin	Via	Destination
10	Evening	Poppleton	City Centre & Dunnington	Stamford Bridge
11	Evening	Bishopthorpe	South Bank	Stonebow
12	Daytime	Stonebow	Heworth	Monks Cross
14	Evening	Foxwood	City Centre / New Earswick	Haxby West Nooks
19	Daytime	Skelton	Clifton & Rawcliffe	Exhibition Square
20	Daytime	Rawcliffe	Clifton Moor & Haxby	Monks Cross / Osbaldwick
21	Daytime	Colton	Acaster Malbis & Bishopthorpe	Foss Islands
24	Daytime	Ascot Way (Acomb)	Acomb & Holgate	Piccadilly
25	Daytime	Derwenthorpe	Foss Islands	Crossfield Crescent (Fulford)
26	Daytime	Crossfield Crescent (Fulford)	City Centre	South Bank
26	Fri/Sat eve	Piccadilly		Crossfield Crescent (Fulford)

*Notes:*

- i) All current timetables available at [www.iTravelyork.info](http://www.iTravelyork.info)
- ii) Tendered routes 16, 18 and 36 do not require re-tendering in 2019 having been re-procured in 2017 & 2018.
- iii) CYC also makes a financial contribution towards North Yorkshire County Council procured services 22/23, 42, 181 and 412

This page is intentionally left blank

## **Annex 5 – Proposal to address local bus idling**

- 1) Local bus operators expressed their concern at the June meeting of the York Quality Bus Partnership at the adoption of a blanket approach to address local bus idling. The operators stated:
  - i) Different vehicle types / emissions levels require different approaches. Whilst modern Euro IV / V / VI vehicles will cut out automatically after a certain time, older vehicles are not designed in this fashion and require manual intervention to stop the engines;
  - ii) For the emissions solution on Euro VI buses to function as designed, the engines need to be working within a particular operating temperature range. Turning the engine off regularly could actually serve to increase overall emissions from these vehicles;
  - iii) Passenger perception of the quality of the service offered should be considered. On a cold, wet day, when a bus has to wait at a stop for several minutes, passengers often complain if the engine (and therefore heating and potentially lighting) is switched off. There are also potentially associated difficulties with battery drainage if the engines are switched on and off regularly in cold weather conditions;
  - iv) For vehicles operating long distance services, where their engineering base can be anything up to 40 miles away from York, a breakdown or engine failure can lead to significant service disruption for a significant number of passengers. The subsequent breakdown can also result in a bus stop / stand being blocked while it is recovered.
  
- 2) Notwithstanding the above, bus operators recognise the need to further promote the environmental benefits of local bus services. To this end, they have agreed to work with CYC through the Quality Bus Partnership to put in place measures to address bus idling, particularly in the city centre. The Quality Bus Partnership is currently preparing a range of measures which will be introduced in early 2019. These include:
  - i) Plates to be attached to bus stops in the city centre to remind drivers to switch off their engines if they are waiting for longer than 2 minutes;
  - ii) Information on operators' and Council websites and on at-stop real time information screens to explain the measures being undertaken to the public.

This page is intentionally left blank



---

**Executive****17 January 2019**

Report of the Corporate Director for Housing and Adult Social Care and the Corporate Director of Customer and Corporate Services  
Portfolio of the Executive Member for Housing & Safer Neighbourhoods

**Building More Homes for York – removal of the HRA borrowing cap****Summary**

1. This report sets out how the Government's decision to lift the Housing Revenue Account (HRA) borrowing cap will enable the council to embark upon an ambitious programme of housing development; delivering a substantial number of additional new homes to meet the needs of our residents.
2. Lifting of the cap will enable:
  - a. Accelerated delivery of more than 600 new homes across 8 sites within the Housing Delivery Programme
  - b. The purchase of additional land for housing development
  - c. The acquisition of additional affordable housing through Planning Obligations in S106 agreements
  - d. Opportunities for additional investment in older persons accommodation provision

**Recommendations**

3. Executive are recommended to:
  - a) Further endorse the proposed means of delivery for the Housing Delivery Programme through the Housing Revenue Account
  - b) Approve in principle the appropriation of sites within the Housing Delivery Programme from the General Fund into the HRA, noting the

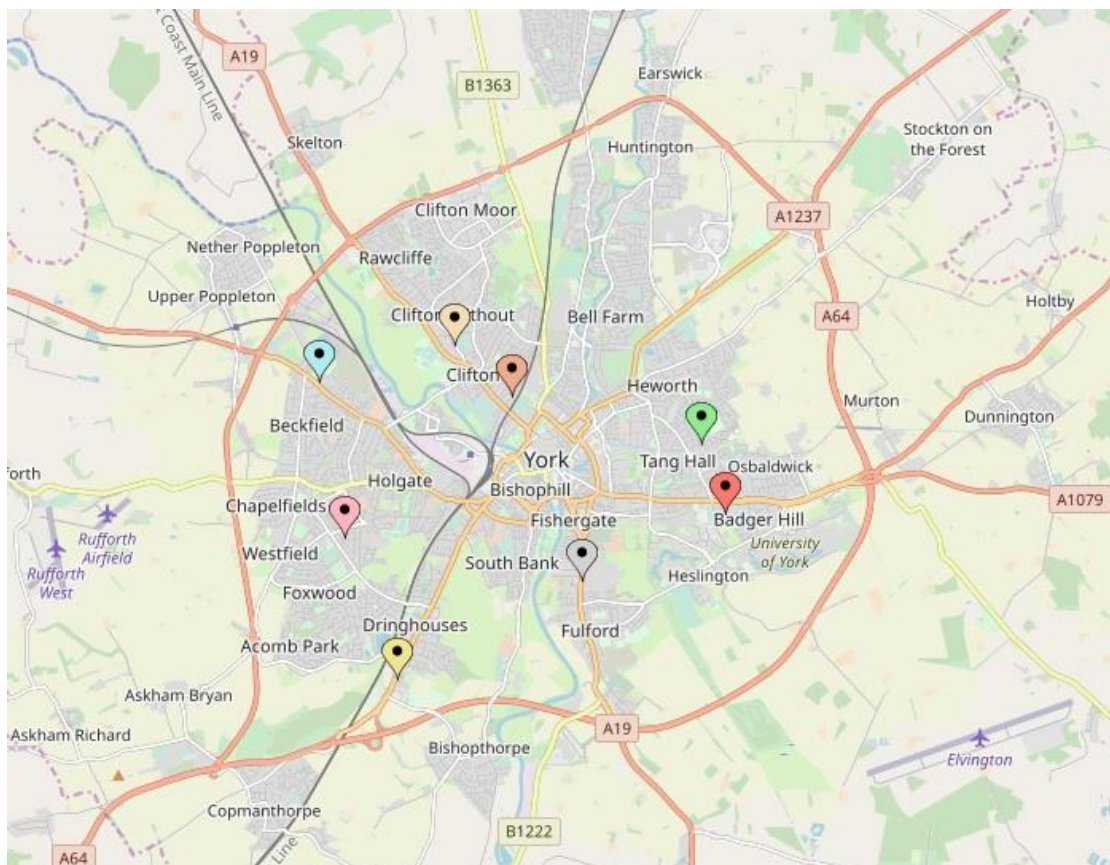
increased debt that would occur, with sites to be appropriated following Executive approval of individual site business cases.

- c) Note the additional opportunities that removal of the HRA borrowing cap brings in respect of potential land acquisitions for new housing developments and the purchase of new affordable housing through S106 agreements, with a business case to be brought before Executive for consideration when such opportunities are available.

**Reason:** To accelerate the construction of much needed homes in the city, allowing the council to build more than 600 homes in the next five years, of which over 250 homes will be council houses and low cost home ownership tenures.

## Background

- 4. On 12 July 2018, the Executive agreed that seven council-owned sites should be developed for housing and delivered through the HRA as part of the Housing Delivery Programme. Since then, the Executive has approved the purchase of part of the former Duncombe Barracks site which will form part of the Programme. These sites are shown on the map below:



5. The Housing Delivery Programme will seek to deliver over 600 new homes over the next five years, including over 250 council and low cost home ownership homes. This represents the largest house building programme undertaken by the council since the 1970s. Recently the government has removed the borrowing cap on the HRA's debt. This will enable an accelerated delivery programme, providing much needed new homes for residents in a variety of financial circumstances.
6. The Executive decision to deliver housing through the HRA, rather than through a separate development company, was informed by a clear purpose and vision to meet housing need and deliver positive social outcomes rather than for revenue generation. As well as meeting housing need and providing double the amount of council and low cost home ownership housing than planning policy requires, the programme will see homes built to higher accessibility and environmental standards. The latter will consist of a fabric first approach to building performance with renewable energy production utilised where viable. Sites will be developed to form healthy and sustainable developments — neighbourhoods that are inclusive, improve the lives of both new and existing residents, and stand the test of time.

### **Delivering homes that meet the needs of residents**

7. The mix of house types and tenures offered through the programme will ensure that the housing needs of a broader range of York residents are met — from those in the most acute need, to key workers and young families looking to get on the property ladder, and older people wishing to downsize.
8. The type and tenure of the homes to be delivered will be determined through identifying housing need alongside consideration of the location and size of the sites. Smaller sites will lend themselves to higher levels of council housing whilst larger sites will benefit from a broader mix of tenure types in order to promote social inclusion and help to create mixed and balanced communities.
9. The programme will significantly increase the number of new council homes being built. These homes will be available at a social rent — the lowest rents set by the government — and let on a secure tenancy, providing much needed housing for those in most acute need. Alongside

this, the programme supports the council's ambition to provide a significant number of new low cost home ownership houses, such as shared ownership. Shared ownership provides residents with the opportunity to purchase a share of between 25% and 75% of their home whilst paying rent on the remaining value. This helps residents who aspire to home ownership but are priced out of the current housing market. Tables that compare the costs of shared ownership and Help To Buy to purchasing on the open market are attached as Annex 1.

10. Residents registered with the council for a shared ownership home include a high proportion of young families with children and NHS key workers. With shared ownership, a young family with a combined income of between £30,000 and £37,000 could buy a 25 to 50% entry share of a new three bedroom house on Lowfield. The family would have the opportunity to buy a greater equity share of their house as their financial circumstances improve. Alternatively they may wish to buy a new home on the open market and sell their share to another family in housing need.
11. Shared Ownership helps individuals with small deposits, such as first time buyers. Based on an entry share of 25%, a one bedroom apartment on Lowfield could be purchased with a deposit of approximately £1750, total monthly payments of £436 and an annual income of £17,000. A two bedroom flat could be purchased with a deposit of £2000, monthly payments of approximately £500 and an annual income of £19,800.
12. The Housing Delivery Programme works collaboratively with the Older Persons Accommodation Programme. One of the key ambitions is to deliver a range of accommodation to allow people to live independently for longer. Shared ownership can aid this ambition by supporting older persons who wish to downsize or whose circumstances have changed. An older person or couple could utilise existing equity held in their home to buy a 50% share in a new two bedroom bungalow on Lowfield for approximately £102,500 with monthly rental payments of approximately £250. Alternatively, using older persons shared ownership they could buy a 75% equity share for approximately £153,750 and pay no rent.
13. The Housing Delivery Programme will also provide homes for open market sale, with a focus on house types which meet priority housing need. Residents will have the opportunity to utilise 'Help to Buy' to purchase a new home. This provides assistance to first time buyers



through a 20% government loan. Under this scheme, based on a mortgage of 3.5x income, a couple with joint earnings of £45,600 could buy a two bedroom house at Lowfield. A joint income of £57,000 would be required for them to purchase the same property without assistance.

### Implications of removal of the HRA Debt Cap

14. HRA debt caps were introduced in April 2012 in order to control overall borrowing levels; with the council being assigned a cap of £146m. This cap has now been abolished, giving authorities greater capacity to borrow in order to build new homes. Instead of a cap, borrowing is now linked to the Prudential Code, which mandates that council borrowing should be affordable, with finances set aside for it to be repaid. York's current HRA debt is £139m with an asset value of £450M. In November 2018, Executive approved a revised HRA business plan which planned for the full £139m HRA debt to be repaid over the 30 year plan period.
15. Whilst the Housing Delivery Programme could have been delivered through the HRA with the cap in place, this constrained the speed at which land could be transferred from the General Fund to the HRA and therefore the speed at which new homes could be provided. Removal of the cap allows for greater acceleration in providing new homes in York.

### Financial Headlines of the Housing Delivery Programme

16. The table below shows the indicative cost of the programme and the indicative funding proposal. The key assumption being that the programme will broadly deliver 20% new council housing, 20% low cost home ownership, and 60% market sale homes. Detailed site business cases and associated budget requests will be presented to Executive/Council as they come forward.

<b>Costs</b>	£'000
Land Costs (appropriation)	31,700
Land Cost (purchase)	2,400
Development Cost	114,100
Project Management	5,700
<b>Indicative Total Cost</b>	<b>153,900</b>
<b>Funding</b>	£'000
Market Sale	98,600

Equity Sale	9,800
HRA – Debt (Appropriation)	31,700
Other HRA Resources	13,800
<b>Indicative Total Funding</b>	<b>153,900</b>

17. The table shows that the overall programme can be significantly funded from market sales and equity sales from shared ownership. The land appropriations are covered through increasing the HRA debt (£31.7m) and the balance funded from other HRA resources. HRA resources will include the use of some Right to Buy receipts. Grant opportunities will be explored with Homes England and other organisations. The aim is to ensure that HRA resources are used efficiently such that the Housing Delivery Programme can be financially sustainable in the long term and expanded as resources and experience grow within the authority.
18. Sales significantly occur in the second half of a development process and after significant costs have been expended. The HRA will need to cashflow this development cycle with borrowing levels fluctuating throughout the programme. The removal of the debt cap provides increased flexibility to allow sites to be delivered in tandem. The table below shows the current level of HRA resources available to support the overall programme.

	£'000	£'000
<b>Investment Reserve</b>		
Approval Nov 2017		20,000
Lincoln Court (March 2018)	-1,100	
Repurchase former HRA homes (Nov 2017)	-620	
Uncommitted Investment Reserve*		18,280
<b>Right to Buy Receipts (at Mar 2018)</b>		
Uncommitted RTB receipts		5,200
<b>Total Resources available</b>		<b>23,480</b>
*Excludes approvals previously provided for Lowfields (£4.5m), Burnholme / Askham Bar development (£0.7m) and Duncombe Barracks (£2.55m)		

19. In terms of affordability, the HRA makes a surplus of c£5m pa prior to debt repayment. Each additional £1m borrowing would result in an increase in debt costs of c£35k which means that the appropriation of land into the HRA would increase debt costs of c£1m which is affordable given

current financial modelling. It will mean that the HRA will continue to carry a level of debt, compared to full repayment, however this at an affordable level.

## **Decision**

20. Approval of the recommendations contained within this report will allow the council to pursue an even more ambitious programme of housing delivery. This will enable:

- a. Accelerated delivery of more than 600 new homes across 8 sites within the Housing Delivery Programme
- b. The purchase of additional land for housing development
- c. The acquisition of additional affordable housing through Planning Obligations in S106 agreements
- d. Opportunities for additional investment in older persons accommodation provision

21. The lifting of the borrowing cap is a further endorsement of the decision made by Executive in July 2018 to deliver the Housing Delivery Programme through the HRA, rather than through the creation of a separate development company. However, the decision to deliver the initial sites through the HRA does not preclude delivery through a development company at a later date, should the scale of the opportunity lend itself better to this approach or when housing need is best met through PRS.

## **Implications**

**Financial** – The financial implications are covered within the main content of this report.

**Human Resources** - In order to deliver over 600 new homes within the next five years, the project team will be expanded. The indicative cost of this project management work is contained within this report.

**One Planet/Equalities** - The development of a wider range of mixed tenure housing in the city will contribute to narrowing the affordability gap which will impact on communities with protected characteristics. The Better Decision Making Tool in respect of this programme was included as an annex within the July 2018 Executive Report.

**Legal** - Section 122 of the Local Government Act 1972 permits the Council to appropriate land held/owned by it for one purpose (“Purpose A”) to another purpose (“Purpose B”) where the land is no longer needed for Purpose A.

If land is appropriated from the General Fund to the HRA (or acquired from a third party) then the consent of the Secretary of State will be required for any future disposals of any part of the land. However pursuant to The General Housing Consents Order 2013 the Secretary of State has given general consent to disposal of HRA land in a wide variety of circumstances.

The Council has the power under section 9 of the Housing Act 1985 to build or acquire housing which includes houses for sale. There are a range of supplementary powers available to the Council which can also assist in delivering this project including powers to borrow. As the Council does not intend to do this for a commercial purpose the Council can act as the developer without the need to do so through a company structure. Disposals of land held under the HRA must be at best consideration unless a dispensation has been granted allowing sales at under value. Tenancies of HRA properties will need to be granted under normal Housing Act provisions including those as to security of tenure and the right to buy unless the tenancy falls within an exception under the legislation.

As with the exercise of any power the Council must ensure it makes decisions in accordance with normal public law principles including as to reasonableness. The report clearly demonstrates a proper rationale for its recommendations. Members are also well aware of their obligations under the Equalities Act including the need to advance equality for those with protected characteristics. That need must be considered now and as the project progresses. An assessment of the equalities implications of the Housing Delivery Programme is included in the Better Decision Making Tool that accompanied the July 2018 Executive Report.

**Crime and Disorder** - None

**Information Technology** - The Housing Delivery Programme will seek to ensure that all housing developments support digital inclusion and our Digital City ambitions by making the best use of existing technology and facilitating future enhancements. This ambition will be supported by utilising existing resources from the ICT team.

**Property** - Covered in this report.

**Risk Management** - There are significant risks associated with housing delivery at scale. There are key programme risks associated with costs and sales values, working with a variety of external contractors, town planning and internal resource requirements. These risks and others will be managed through regular monitoring of a programme and site risk register. Further information regarding the mitigation of programme risks were discussed in the July 2018 Executive report regarding the Housing Delivery Programme.

### Contact Details

**Authors:**

**Chief Officer Responsible for the report:**

**Patrick Looker**  
Finance Manager

**Tom Brittain** Assistant Director Housing and Community Safety

**Michael Jones**  
Commercial Project Manager  
(Housing Delivery Programme)

**Report Approved**  **Date** 4 January 2019

**Wards Affected:** *List wards or tick box to indicate all*

**All**

**For further information please contact the author of the report**

### Background papers:

Executive reports:

#### July 2018

- Housing Delivery Programme

#### December 2017

- Housing Delivery Programme – Delivering the Lowfield Scheme

- Housing Delivery Programme – Establishing a Delivery Model and the Scope of the Programme

**November 2017**

- Updated Housing Revenue Account Business Plan 2017 to 2047

**March 2017**

- Strategic Partnership opportunities with the Homes and Communities Agency for the Accelerated Delivery of Housing

**Annexes:**

Annex 1 - Lowfield tenure affordability'

## Annex 1

Table 1: Shared Ownership/Open Market comparison for Lowfield Green

Type	Property Value	Customer Purchase (50% share)	5% deposit	Total Monthly payments	Annual Income required	
					Shared ownership	Open market
1 bed apt	£140,000	£70,000	£3,500	£532	£21,300	£44,333
2 bed apt	£160,000	£80,000	£4,000	£605	£24,200	£50,666
2 bed bungalow	£205,000	£102,500	£5,125	£757	£30,300	£64,916
2 bed house	£210,000	£105,000	£5,250	£775	£31,000	£66,500
3 bed house	£250,000	£125,000	£6,250	£922	£36,900	£79,166

Based on Jan 2019 RICS valuations. Shared ownership modelled on 50% equity share, mortgage cost 4%, rent payment 2.75%, 30% affordability ratio. Mortgage for open market relates to 3x income.

Table 2: Help to Buy/Open Market comparison for Lowfield Green

Type	Property Value	5% deposit	Help to Buy Loan (20%)	Annual Income required for mortgage	
				Help to Buy	Open market
1 bed apt	£140,000	£7,000	£26,600	£30,400	£38,000
2 bed apt	£160,000	£8,000	£30,400	£34,743	£43,428
2 bed bungalow	£205,000	£10,250	£38,950	£44,514	£55,643
2 bed house	£210,000	£10,500	£39,900	£45,600	£57,000
3 bed house	£250,000	£12,500	£47,500	£54,286	£67,857
4 bed house	£335,000	£16,750	£63,650	£72,743	£90,928

Based on Jan 2019 RICS valuations, 5% deposit and mortgage at 3.5x income

This page is intentionally left blank





---

**Executive****17 January 2019**

Report of the Deputy Chief Executive / Director of Customer & Corporate Services  
Portfolio of the Executive Leader (incorporating Finance & Performance)

**Discretionary Rate Relief Awards 2019 - 2021****Summary**

1. The purpose of this paper is to provide Executive with details of new applications in respect of Discretionary Rate Relief (DRR) for the period 1 April 2019 to 31 March 2021. This paper asks Executive to approve any new awards based on the cost and the budget available.

**Recommendations**

2. Executive are asked to consider and approve any or all of the new applications for discretionary rate relief set out at Annex B;  
Reason: To provide a transparent process for awarding discretionary rate relief.

**Background**

3. Executive are requested annually to approve awards of discretionary 'top up' rate relief for a period of two years. Each application has been considered on its own merits before recommendation for approval.
4. The council has wide powers to award discretionary rate relief to any business rates payer. This report deals specifically with applications from those bodies who are already eligible for mandatory rate relief i.e.

- Charities
- Community Amateur Sports Clubs (CASCs)
- Those eligible for Rural discretionary relief
- Those eligible for Rural top up.

It also considers applications from other non profit making bodies which may not be eligible for mandatory relief.

5. The council's aim is to ensure that services are designed around the needs of the people and place first. Some of these services may not be delivered directly by the council in future but by a combination of the council with partner organisations, other authorities, volunteers and community groups or directly by social enterprises or the commercial sector. The 'top up' discretionary rate relief provides additional financial support to those charities, community sports clubs and non-for profit organisations that form a key part of supporting this aim. This is an annual process and the council is fully committed to promoting this support out in the community to those groups and organisations who meet the qualifying criteria.
6. All applications for DRR are currently written submissions through a formal application process managed by the relevant council department. The applications are considered on an individual basis against council priorities and on their merits. The application is for a top up to the 80% mandatory award in respect of charities, CASCs and non-for profit organisations. This paper provides details of all applications for the 1st April 2019 – 31<sup>st</sup> March 2021 awards against the council's DRR budget.

### **Discretionary Rate Relief costs**

7. In December 2017 Executive approved awards for the two year cycle 1<sup>st</sup> April 2018 – 31<sup>st</sup> March 2020 and these are set out at Annex A. Annex B of this paper sets out details of the organisations recommended for awards for the period 1 April 2019 – 31 March 2021 (after consideration of the individual applications). Table 1 below shows the cost to the council of existing awards (Annex A) including rural relief from 1<sup>st</sup> April 2019.

**Table 1.**

<b>Category</b>	<b>Total Cost of DRR</b>	<b>CYC Share</b>
Not-for Profit	£0	£0
Charities	£1140	£570
CASC's	£653	£327
Rural Discretionary	£51,001	£25,001
<b>Total Cost</b>	<b>£51,794</b>	<b>£25,897</b>

8. Table 2 below shows the estimated cost of the proposed new awards (Annex B) for the period 1<sup>st</sup> April 2019 to 31<sup>st</sup> March 2021.

**Table 2.**

<b>Category</b>	<b>Total Cost of DRR</b>	<b>CYC Share</b>
Not-for Profit	15,283	£7,642
Charities	£58,157	£29,079
CASCs	£7,966	£3,983
Rural Discretionary	£0	£0
<b>Total Cost</b>	<b>£81,406</b>	<b>£40,704</b>

9. The council budget for DRR in 2019/20 is £83K. The cost of existing awards set out at Table 1 is £25,897. The new awards set out at Table 2 above and Annex B will increase the total value of awards to £66,601 in 2019/20. This leaves a residual budget of £16K for any new future year awards.

### **New Applications**

10. There are 61 proposed new applications recommended for discretionary top up relief for the April 2019 – March 2021 period. The higher volume and cost in comparison to last year arises as all existing long term recipients (Pre April 2014) fall due for renewal in the April 19 – March 21 cycle.

11. The applicant organisations have been through a thorough application process with each organisation looked at on an individual basis against the set qualifying criteria:
  - 1) And/or the organisation is non-for profit;
  - 2) The organisation is a charity or CASC;
  - 3) Whether the organisation has membership fees;
  - 4) Membership is open to everyone;
  - 5) The percentage of users and or members who are York residents;
  - 6) Equalities e.g. that the organisation have a formally adopted equality and diversity policy;
  - 7) Whether discounts are provided for York residents;
  - 8) Whether the organisation is affiliated to any local or national organisation;
  - 9) How the organisation contributes to the community;
  - 10) The organisation's financial position.
12. In terms of equalities the organisations applying need to provide their Community Impact Assessments (CIAs) and equality and diversity policies. The information provided is reviewed by the council's Head of Communities and Equalities to ensure their aims are aligned to the council's own policies before they can qualify for top up rate relief as part of the overall application process.
13. Organisations are supported through the application process by the service areas and advice provided to those who have been declined in advance of the report deadline.

### **Options**

14. There are two options associated with this report:
  - Option 1** – Approve any or all of the new applications for discretionary rate relief set out at Annex B;
  - Option 2** – Decline any or all of the new application of discretionary rate relief set out at Annex B.

## Analysis

15. There is an ongoing demand on the DRR budget from current recipients of rural rate relief. Whilst the business rates multiplier was reduced two years ago as part of the last revaluation exercise by the Valuation Office Agency (VOA) it still continues to rise by the Retail Price Index (RPI). The multiplier is the percentage or pence in the pound of the Rateable Value that the customer must pay in business rates. As a result of this link there will continue to be inflationary pressure on the DRR budget. Annex A shows that last years awards total liability has risen by £8.6K as a result of this.
16. There is sufficient budget to meet the current demand for the April 18 to March 20 (Annex A) recipients along with the new applications for the April 19 – March 21 period. The residual budget has fallen from £22K last December to £16K. To ensure all qualifying organisations receive discretionary top up support, and residual budget is retained for future awards and to meet inflationary pressures, the level awarded is less than the 20% maximum allowance as set out at both Annex A & B.

## Council Plan 2015 - 19

17. The power to provide discretionary rate relief contained within the Local Government Finance Act 1988 & 2012 aligns with the council plan 2015 - 19 in providing residents with community assets that support the focus on frontline services providing health and wellbeing for their customers and making York a great place to live.

## Implications

18.
  - (a) **Financial** – The changes in the Local Government Finance Act 2012 ensures that any new discretionary awards are met on a 50/50 basis with Central Government.
  - (b) **Human Resources (HR)** - There are no implications
  - (c) **Equalities** – There are no direct implications
  - (d) **Legal** – The council's power to award Discretionary Rate Relief is set out at Section 47 of the 1988 Local Government Finance Act. The qualifying conditions are set out in Para 3 of section 47 which allows for the award to be made for

Rural, Sports, and Charitable organisations meeting the qualifying criteria.

- (e) **Crime and Disorder** - There are no implications
- (f) **Information Technology (IT)** - There are no implications
- (g) **Property** - There are no implications

### Risk Management

19. The key risk associated with discretionary reliefs is a financial one. The risk is Low and is in the control of the authority through the implementation of proper policies and procedures.

### Contact details:

<b>Author:</b>	<b>Chief Officers responsible for the report:</b>		
Paul Sanderson Telephone: 01904 551116	Ian Floyd Deputy Chief Executive / Director of Customer & Corporate Services		
	Pauline Stuchfield Assistant Director Customers & Employees Telephone: 01904 551100		
	<b>Report Approved</b>	√	<b>Date</b> 9/1/19
<b>Specialist Implications Officer(s)</b> David Wright Telephone:01904 552234			
<b>Wards Affected:</b> All			√
<b>For further information please contact the authors of the report</b>			

### Background Papers

Discretionary Rate Relief Awards 2018 – 2020

### Annexes

- Annex A – Existing discretionary rate reliefs 2018 – 2020
- Annex B – New discretionary Rate Reliefs for approval 2019 - 2021

Glossary

DRR	Discretionary Rate Relief
CASC	Community Amateur Sports Club
CIA	Community Impact Assessment
RPI	Retail Price Index (A measure of inflation)
VOA	Valuation Office Agency

This page is intentionally left blank





This page is intentionally left blank

## Annex B - New discretionary Rate Reliefs for approval 2019 - 2021

### 2019-21 DRR Decision Costings

#### Community Sports Clubs (CASC)

Primary Liable party name	Property Reference Number	Account Ref	Full Property Address	2019-20 % Award	2017 RV	2019-20 DRR Award Value	2019-20 CYC Contribution
Acomb Sports Club	0460913	400007666	Acomb Sports Club, The Green, Acomb, York, YO26 5LL	13.50%	8800	£598.75	£299.38
Bishophorpe Bowling Club	0863514	400015710	Bowling Green, Acaster Lane, Bishophorpe, York, YO23 2SA	13.50%	590	£40.14	£20.07
Dringhouses Bowling & Rec. Club	0342905	400003321	Bowling Club, Off Tadcaster Road, Knavesmire, York, YO23 1EJ	13.50%	1100	£74.84	£37.42
Trustees Hamilton Panthers Association Football Club	2007885	401055594	Little Knavesmire Sports Pavilion, Knavesmire Road, York, YO23 1FA	13.50%	10000	£680.40	£340.20
Heworth Tennis Club	0464299	400001857	Heworth Tennis Club, East Parade, York, YO31 7TA	13.50%	2200	£149.69	£74.84
Hopgrove Playing Fields Association	0922781	400027079	Malton Road, York, YO32 9TG	13.50%	15000	£1,020.60	£510.30
New Earswick & District Bowls Club	0854171	400023855	New Earswick & Dist Bowls Club, Huntington Road, Huntington, York, YO32 9PX	13.50%	36000	£2,449.44	£1,224.72
Osballdwick Sports Club	0856042	400015179	Osballdwick Playing Field, The Leyes, Osballdwick, York, YO10 3PR	13.50%	13000	£884.52	£442.26
York Squash Rackets Club	0852197	400014779	Squash Courts, Shipton Road, Clifton, York, YO30 5RE	13.50%	7800	£530.71	£265.36
Dringhouses Sports & Soc. Club	0465430	400019995	Dringhouses Sports & Soc. Club, St Helens Road, York, YO24 1HP	13.50%	12750	£867.51	£433.76
Strensall Bowls Club	0857987	400015155	Bowling Green, Northfields, Strensall, York, YO32 5XN	13.40%	2600	£175.59	£87.80
York City Rowing Club	0465598	400012724	York City Rowing Club, West Esplanade, York, YO1 6FZ	13.50%	12000	£494.06	£247.03
						<b>£ 7,966.27</b>	<b>£ 3,983.13</b>

#### Charity Top Ups

Primary Liable party name	Property Reference Number	Account Ref	Full Property Address	2019-20 % Award	2017 RV	2019-20 DRR Award Value	2019-20 CYC Contribution
1st Heworth Scout Group	0464266	400007059	Scout Headquarters, Bad Bargain Lane, York, YO31 0LW	13.50%	2500	£170.10	£85.05
1st Huntington Scout Group	0904449	400023839	Huntington Scout Grp, R/O St Andrews, Huntington Road, Huntington, York, YO31 9BP	13.50%	8300	£564.73	£282.37
2nd Haxby & Wigg, Scout Group	0853587	400014939	Ethel Ward Playing Field, York Road, Haxby, York, YO32 3HG	13.50%	5100	£347.00	£173.50
2nd St Thomas Scout Group HQ	0461585	400000207	Scout Hut, Haxby Road, York, YO31 8JN	13.50%	2325	£154.85	£77.42
Age Concern	0513939	400018947	19, Bishophorpe Road, York, YO23 1NA	8.50%	16250	£733.18	£366.59
Age Concern	0207910	400018335	215, Burton Stone Lane, York, YO30 6EB	8.50%	11750	£503.37	£251.69
Age Concern	0200099	400018765	70, Walmgate, York, YO1 9TL	8.50%	19000	£764.02	£382.01
Age Concern	0481834	400029868	77, Fourth Avenue, York, YO31 0UA	8.50%	10750	£460.53	£230.27
Bell Farm Social Hall Management Co	0461778	401050118	Social Hall, Roche Avenue, York, YO31 9BB	13.50%	3850	£261.95	£130.98
Wheldrake Recreation Association	0867265	400016007	Broad Highway, Wheldrake, YO19 6BG	13.50%	10500	£714.42	£357.21
Community Furniture Store (York) Ltd	2001527	401034247	Unit 29, The Raylor Centre, James Street, York, YO10 3DW	8.50%	26500	£1,135.26	£567.63
Copmanthorpe & Dist. Recr'Tn Centre	0863989	400015856	Copmanthorpe Recreation Centre, Barons Crescent, Copmanthorpe, York, YO23 3YR	13.50%	20750	£1,411.83	£705.92
Dunnington & Grimston Play F'Ld Ass	0890233	400021382	Dunnington Sports & Soc Centre, Common Lane, Dunnington, York, YO19 5ND	13.50%	45000	£3,061.80	£1,530.90
Elvington Scout Group	0865407	400015834	Wheldrake Lane, Elvington, York YO41 4DW	13.50%	3300	£156.77	£78.38
Foxwood Community Centre	0514272	400016610	Foxwood Community Centre, Cranfield Place, York, YO24 3HY	13.50%	7000	£476.28	£238.14
Lord Mayors Own Scouts	0462613	400006949	Scout Hall R/O, Bootham Terrace, York, YO30 7DH	13.50%	2800	£127.47	£63.74
North Yorkshire South Girl Guides	0867367	400015633	79, Main Street, Wheldrake, York, YO19 6AA	13.50%	4200	£285.77	£142.88
Poppleton Road Community Centre Memorial Hall	0464960	400003772	Community Centre, Oak Street, York, YO26 4SG	13.50%	6900	£444.80	£222.40
Strensall & Towthorpe Sport Assoc	0858435	401053178	Sports Ground & Premises, Durlston Drive, Strensall, York, YO32 5AT	13.50%	9400	£639.58	£319.79
Strensall & Towthorpe Village Hall	0858399	400015212	Village Hall, Northfields, Strensall, York, YO32 5UP	13.50%	8800	£598.75	£299.38
Tang Hall Community Centre Mgt Cttee	0957153	400032613	Tang Hall Community Centre, Fifth Avenue, York, YO31 0UG	13.50%	12500	£765.09	£382.54
The City Of York Hockey Club	0853645	400014765	York Hockey Club & Heworth, Elmpark Way, Heworth Without, York, YO31 1DX	13.50%	16750	£1,139.67	£569.84
The Wilf Ward Family Trust	0534623	400024286	69, Green Lane, York, YO24 3DJ	8.50%	6900	£295.60	£147.80
United Response	0514614	400013472	3/5, Tanner Row, York, YO1 6JB	8.50%	9400	£402.70	£201.35
United Response	0513666	401034395	35-41, North Street, York, YO1 6JD	8.50%	17750	£760.41	£380.21
Upstage Centre	2003033	401042279	Upstage Centre Youth Theatre, 41, Monkgate, York, YO31 7PB	13.50%	41250	£2,806.65	£1,403.33
Wigginton Bowling Club	0858800	400015429	Bowling Club, Mill Lane, Wigginton, York, YO32 2PY	13.50%	1200	£81.65	£40.82
Wigginton Recreation Hall Committee	0859041	400015295	Village Hall, The Village, Wigginton, York, YO32 2PU	13.50%	5900	£401.44	£200.72
York & Dist. Citizens Advice Bureau	2003552	401045215	Citizens Advice Bureau, West Offices, Station Rise, York, YO1 6GA	20.00%	20500	£2,066.40	£1,033.20
York Blind & Partially Sighted Society	2008165	401052723	Gnd Flr, Rougier House, Rougier Street, York, YO1 6HZ	8.50%	28750	£1,231.65	£615.83
York Blind & Partially Sighted Society	2008166	401052721	1st Floor (Rear) Rougier House, Rougier Street, York, YO1 6HZ	8.50%	6800	£291.31	£145.66
York Early Music Foundation	0927220	400027485	Music Foundation, St Margaret'S Church, Walmgate, York, YO1 9TL	13.50%	49750	£3,384.99	£1,692.50
York Sea Cadet Corps	0266240	400007807	Cadet Headquarters, 21/22, Skeldergate, York, YO1 6DH	13.50%	8400	£571.54	£285.77
York Railway Institute	0465407	400003342	York Railway Inst. Gymnasium, Queen Street, York, YO24 1AD	13.50%	49000	£3,333.96	£1,666.98
York Railway Institute	0464777	400003781	Railway Institute Sports Club, Hamilton Drive, York, YO24 4NX	13.50%	28500	£1,939.14	£969.57

York Railway Institute	0464755	400003796	York Railway Institute Bowling Club, Ashton Lane, York, YO24 4HX	13.50%	7400	£503.50	£251.75
York Railway Inst. Club	0465429	400009858	York Railway Institute Club, 22, Queen Street, York, YO24 1AD	13.50%	17750	£1,207.71	£603.86
York Railway Institute	0863387	400015749	Pikehills Golf Club, Tadcaster Road, Copmanthorpe, York, YO23 3UW	13.50%	42500	£2,891.70	£1,445.85
York Council For Voluntary Service	2001405	401033473	15/17 Priory Street, York, YO1 6ET	20.00%	154000	£15,523.20	£7,761.60
1st Copmanthorpe Scout Group	0889736	400021377	Scout Hq Recreation Centre, Barons Crescent, Copmanthorpe, York, YO23 3TZ	13.40%	4750	£320.80	£160.40
The York Bridge Club	0891747	401041817	York Bridge Club, 152/154 Holgate Road, York, YO24 4DQ	13.50%	10250	£697.41	£348.71
Strensall Bowling Green	0857987	400015155	Bowling Green, Northfields, Strensall, York, YO32 5XN	13.50%	2600	£176.90	£88.45
Wigginton Sports and Playing Field Association	0858786	401044327	Athletics Club, Mill Lane, Wigginton, York, YO32 2PY	13.50%	1125	£76.55	£38.27
Rufforth Playing Fields	0859610	400015464	Sports Field, Rufforth Airfield, Rufforth, York, YO23 3QA	13.50%	9400	£671.86	£335.93
St Leonards Hospice	2007780	401050979	St Leonards Hospice, Tadcaster Road, York, YO24 1GL	4.60%	129000	£2,990.74	£1,495.37
York Muslim Association	0900298	400022776	Muslim School, 76, Fourth Avenue, York, YO31 0UB	13.50%	9000	£612.36	£306.18
						<b>£58,157.36</b>	<b>£29,078.68</b>

**Not for Profit**

Primary Liable party name	Property Reference Number	Account Ref	Full Property Address	2019-20 % Award	2017 RV	2019-20 DRR Award Value	2019-20 CYC Contribution
My Community Social Enterprise Ltd	0250066	401038447	The Melbourne Centre, Tx020/13100, Escrick Street, York, YO10 4AW	67.20%	9200	£3,115.93	£1,557.96
Chapelfields Community Association	2002944	401054919	Sanderson Court Community House, Nd528/13100, Bramham Road, York, North Yorkshire	67.20%	11250	£3,107.49	£1,553.75
Get Cycling CIC	0246275	401048556	22 Hospital Fields Road, York, YO10 4DZ	67.20%	26750	£9,059.90	£4,529.95
						<b>£15,283.32</b>	<b>£7,641.66</b>

2019-20 DRR Award Value	2019-20 CYC Contribution
<b>£81,406.95</b>	<b>£40,703.47</b>



---

**Executive****17 January 2019**

Report of the Assistant Director, Legal and Governance  
Portfolio of the Executive Member/responsible Executive Member

**Discussion with North Yorkshire County Council to Explore Merging Coroner Areas****Summary**

1. This report seeks member agreement to undertake discussions with North Yorkshire County Council (NYCC) to explore merging the CYC and NYCC coroner areas, at the request of the Chief Coroner and the Ministry of Justice (MoJ). Any merger would come into effect in April 2020.
2. The key driver for this is to improve standards of service. The Chief Coroner has a very clear view that larger coronial areas are more effective, allowing a senior coroner to manage work effectively, giving support staff the opportunity to work as part of a wider team providing enhanced support, resilience and a consistent service for relatives. This would also be likely to result in a small financial saving. Inquests would continue to be held in current locations, and would not be centralised.
3. If members agree to the discussions, it is envisaged that the assessment and consultation could be completed within 12 months, leading potentially to a merger from April 2020.

**Recommendation**

4. It is recommended that discussions be held with NYCC to explore merging coroner areas.

Reason : This would improve resilience and efficiency, with minimal financial impact and be in line with the Chief Coroner's Guidance.

## Background

5. The coroner service is an anomalous service within local authorities. CYC is responsible for the appointment and payment of the coroner and meeting all reasonable costs of the service. This includes the cost of the provision of mortuaries, pathology services, forensic testing, and inquests.
6. Coroners are independent judicial officers and are not employees of the local authority. All appointments of coroners have to be agreed with both the Ministry of Justice and the Chief Coroner, and they effectively have a veto on any arrangements that do not meet their approval. Local authorities cannot remove or dismiss coroners, which effectively means that arrangements for a coroner's service can only be revised when there is not a permanently appointed coroner in place.
7. The Chief Coroner has published guidance to local authorities on how to organise the coroner service (see Annex 1 – Chief Coroner's Guidance Note 14 - Merger of Coroners Areas). The guidance states that:
  - a. it is the Chief Coroner's view the number of coroner areas should be reduced in order to create sensibly sized coroner areas, taking into account the numbers of reported deaths, geographical size and types of coroner work in the area;
  - b. there are many part-time coroner jurisdictions which are too small for effective management and cost-efficiency; and
  - c. in many cases 3,000-5,000 reported deaths would be an appropriate number for a coroner jurisdiction.
8. Schedule 2 of the Coroners and Justice Act 2009 gives the Lord Chancellor the power to make orders altering coroner areas. To date all mergers have been made by agreement.
9. To merge coroner areas it has to apply to the Lord Chancellor with written reasons, effectively a business case for the merger. Before doing so it should consult with the Chief Coroner.

10. Where a new coroner area is created, it must consist of one or more whole upper-tier local authority areas.
11. York has a single coroner area, and a temporary part-time senior coroner. York's last permanent part-time senior coroner retired in 2014, and the Chief Coroner and MoJ have only agreed to temporary replacements since then, pending merger discussions.
12. In 2014 CYC was asked to consider a merger with Hull & East Riding, which the York coroner and the North Yorkshire Police (NYP) did not support. CYC's refusal was upheld on the understanding that it would explore a merger with NYCC when one of the NYCC senior coroners retires.
13. North Yorkshire has two separate coroner areas, each with a part-time senior coroner, based in different offices, with separate support arrangements. One covers the geographic areas of Scarborough, Ryedale and Hambleton (East area, and the other the geographic areas of Richmondshire, Craven, Selby and Harrogate (West area).
14. In 2017 there were around 900 deaths in the York coroner area, 1,050 in the East area and around 1,150 reported deaths in the West area. This gives a total of around 3,000 deaths, which the Chief Coroner sees as an appropriate size for a single coroner jurisdiction.
15. It is now possible for CYC to start discussions about a merger with NYCC, as NYCC is considering the prerequisite step of merging East and West areas, due to the retirement of the East area Senior coroner in March 2019. If NYCC decides to merge East and West areas, then York could merge with this new area to make a single York and North Yorkshire coroner service.

### **Consultation**

16. A possible merger of the areas will require detailed assessment and joint proposal by the City of York Council and North Yorkshire County Council and consultation with the Ministry of Justice and the Chief Coroner.

17. The Chief Coroner and the MoJ have asked us to open these merger discussions.
18. The senior coroners, and the North Yorkshire Police are in favour of merger discussions.
19. NYCC Executive will be asked on 15 January 2019 to consider opening merger discussions with CYC.

### **Options**

20. There are two options:

- 1) to seek permission from the Chief Coroner to remain as a separate area – which goes against his specific request that we merge areas, and is therefore not recommended
- 2) to open discussions with NYCC to consider merging the coroner areas –in line with the wishes of the Chief Coroner, the MoJ, the senior coroners, the North Yorkshire Police and the local authority officers.

### **Analysis**

Option 1) to seek permission to remain a separate area:

21. Advantages:

- perceived as a local service for local people.

22. Disadvantages –

- it would be difficult to find sufficient reasons to justify departing from the Chief Coroner and the MoJ and would be unlikely to gain their support
- difficulty of attracting a permanent senior coroner for such a small area/salary
- continued administrative inefficiencies and duplication from senior coroners, NYP coroner officers and local authority officers

Option 2) to open discussions with NYCC to consider merging the coroner areas



23. Advantages:

- a more resilient and consistent service for the bereaved
- better working practices for the senior coroners, the NYP and CYC and NYCC
- supports the Chief Coroner and MoJ plan to merge small coroner areas into larger areas
- enables the senior coroners to cover the areas more efficiently, formalising current arrangements
- a small financial saving

24. Disadvantages:

- possible disadvantages might be pressure to establish a single venue for inquests, although this is not planned and is opposed by the senior coroners. Being able to offer a choice of inquest venues to families (rather than just York) would actually improve the current position for the bereaved since, of course, not all deaths in York are of York residents.

### **Council Plan**

25. The proposal to open discussion to explore merger of the Coroner's areas will assist in the Council's priority of a prosperous City for all by seeking to improve a resilient and effective Coroner Service for citizens.

### **Implications**

25. All relevant implications of the proposals have been considered.

- **Financial**

It is estimated there will be a small financial saving from merging the two North Yorkshire areas. Work with NYCC will be required to assess the full financial implications of a joint service but it is anticipated that a small financial saving could be made.

- **Human Resources (HR)**

Any HR implications will be identified in the discussions and appropriate consultation will take place.

- **Equalities**

A full Equalities Impact Assessment is not considered to be required for the merger of the Coroner's areas, as it is proposed that inquests will continue to be held in the same venues as they are currently. In any event this is a decision about opening discussions.

- **Legal**

No implications, as this is a decision about opening discussions.

- **Crime and Disorder**

No implications

- **Information Technology (IT)**

No implications – NYCC and York coroners currently share a database system, and the data belongs to the coroner, not to the local authorities.

- **Property**

No implications

- **Other**

None

## **Risk Management**

There are no known risks in relation to the recommendation in this report.

## Contact Details

**Author:**

**Author:**

Andrew Docherty  
Assistant Director, Legal  
& Governance

Tel No. Extn. 1004

**Co-Author:**

Jane Milthorp  
Practice Manager  
Legal services  
Tel No. Extn. 2090

**Chief Officer Responsible for the report:**

Ian Floyd  
Deputy Chief Executive / Director of  
Customer & Corporate Services

**Report  
Approved** ✓

**Date** 9/1/19

**Wards Affected: All**

**For further information please contact the author of the report**

**Background Papers:**

Chief Coroner's Guidance no 14 Merger of Coroners Areas

**Annex 1:** Chief Coroner's Guidance no 14 Merger of Coroner Areas

This page is intentionally left blank



CHIEF CORONER

## **GUIDANCE No.14**

### **MERGERS OF CORONER AREAS**

#### **Introduction**

1. The purpose of this guidance is to advise local authorities and coroners of the powers under the Coroners and Justice Act 2009 (the 2009 Act) to merge coroner areas.
2. The guidance is also intended to identify the consequences of a merger in terms of the appointment of a senior coroner for the newly merged area and the position of senior coroners (and area and assistant coroners) from the old areas merged together.
3. Having considered the provisions (including the transitional provisions) of the 2009 Act, particularly Schedules 2, 3 and 22, and the Coroners and Justice Act 2009 (Coroners Areas and Assistant Coroners) Transitional Order 2013, all of which came into force on 25 July 2013, the Chief Coroner sets out the following guidance.
4. This guidance has been discussed with the Lord Chancellor and its contents are agreed.

#### **Coroner areas**

5. When the 2009 Act came into force in 2013 all coroner districts in England and Wales became coroner areas automatically. The names of the districts became the names of the areas.
6. A local authority area may comprise one or more coroner areas. In some parts of the country a coroner area is coterminous with the area of a local authority, whereas in others it may be part only of a local authority area. A coroner area may also consist of the combined areas of two or more local authority areas, with one local authority taking the lead for coroner purposes as the relevant authority for the coroner area.
7. However, where a new coroner area is created by combining two or more old coroner areas (under powers of the Lord Chancellor in the 2009 Act), the new

coroner area cannot consist of part only of a local authority area. It must consist of a whole local authority area or more than one local authority area.

8. Where decisions are to be made about mergers of coroner areas or the appointment of a senior coroner for a newly created coroner area, in the case of a coroner area consisting of two or more local authority areas, the relevant authority must consult the other authorities before making a decision.
9. For the purposes of this guidance the local authority (whether a single authority or multiple authorities) will be referred to as the relevant authority.

### **Mergers of coroner areas**

10. The Lord Chancellor may, after consultation, make orders altering coroner areas, either combining (merging) or dividing coroner areas.
11. The Lord Chancellor has no present plans for dividing coroner areas.
12. There are presently 95 coroner areas in England and Wales (with 87 senior coroners). It is the view of the Chief Coroner, following upon the recommendations of the *Luce Review* in 2003<sup>1</sup>, that the number of coroner areas should be reduced in order to create sensibly sized coroner areas, taking into account the numbers of reported deaths, geographical size and types of coroner work in the area. In many cases 3,000-5,000 reported deaths would be an appropriate number, although smaller or larger areas may in places be appropriate. There are many part-time coroner jurisdictions which are too small for effective management and cost-efficiency.
13. In the short term mergers of coroner areas are only likely to take place with the agreement of all local authorities concerned. The Lord Chancellor must in any event consult with local authorities (amongst others) before ordering a merger. There is, however, no reason in principle why the Lord Chancellor should not in due course combine areas after consultation but without agreement where there is a clear case for merger.
14. Where a relevant authority wishes to merge one or more coroner areas into one larger coroner area it should apply to the Lord Chancellor with written reasons, providing a business case for the merger. Before doing so it should consult with the Chief Coroner. The Ministry of Justice has standard forms and specimen examples to help with the business case.
15. Where, following statutory consultation, the Lord Chancellor makes an order altering coroner areas by combining an existing coroner area with one or more coroner areas, the newly combined area will receive a new name from the Lord Chancellor.
16. As above, a newly combined coroner area cannot consist of only part of a local authority area. It must consist of a whole local authority area or more than one local authority area.
17. In considering a potential merger local authorities are encouraged to think carefully about the future of their coroner area(s), including sensible succession

---

<sup>1</sup> *Death Certification and Investigation in England, Wales and Northern Ireland: The Report of a Fundamental Review*, Cm 5831.

where appropriate for the post of senior coroner, and planning for the prudent development of their local coroner service in the interests of the public.

18. Where possible the relevant authority should state its intentions about the appointment of a new senior coroner in advance of merger. In this way senior coroners who may be affected by the merger will know in advance what is intended and can, if required, have discussions with the relevant authority about their future.

#### **Appointment of new senior coroner**

19. Where a new coroner area is created by the merger of one or more coroner areas (the old areas), the relevant authority must appoint a senior coroner for the new area. The appointment must be made within three months of the merger (or within whatever further period the Lord Chancellor allows).

20. The relevant authority responsible under the 2009 Act will appoint a senior coroner for the new coroner area in one of two ways:

**Option 1.** - The relevant authority may appoint one of the senior coroners from the old areas.

**Option 2.** - Alternatively, the relevant authority may appoint a senior coroner following an open competition. The competition will be open to all suitably qualified coroners.

21. In either case the appointment of the new senior coroner cannot be made without the consent of the Lord Chancellor and the Chief Coroner.

22. It will be a matter for the relevant authority to decide which option to choose, bearing in mind the matters set out below. The relevant authority may seek the views of the Chief Coroner or the Ministry of Justice but in the end it will be the relevant authority's decision.

23. If option (1) is chosen there will be no open competition.

#### **Option 1: Appointment from one of the senior coroners of the old areas**

24. Relevant authorities are advised that option (1) should usually be the preferred option. It has the effect of preserving the status quo (in part at least), of allowing an existing coroner to remain in office and therefore not putting an existing coroner at risk of loss of senior coroner office in an open competition. It also avoids the possible payment of compensation for early retirement (see below).

25. But the relevant provisions of the 2009 Act do not provide automatic inheritance of the newly formed coroner area for the remaining coroner (where there is only one remaining). If two coroner areas are merged into one when one of the existing senior coroners retires, the other senior coroner has no entitlement as of right to become the new senior coroner. A new senior coroner must be appointed for the new coroner area and it will be a matter for the relevant authority as to how to proceed, with option (1) or option (2).

26. Where, therefore, the remaining senior coroner has had only limited experience as a senior coroner or where the merged area will be considerably larger (in terms of numbers of reported deaths) than the remaining coroner's current area,

the relevant authority may wish to consider the following points in deciding whether option (2) may be preferable:

- The extent of the experience of the remaining senior coroner. Whether that experience is a sufficient guide to their appointing him/her as senior coroner of a much larger coroner area or taking on a very different area profile eg prisons for the first time.
- Whether the public will have sufficient confidence in that person in the light of their experience.
- The likelihood that a good field of candidates will apply if a competition is held, so that the best candidate for the post can be appointed.

27. Where option (1) is chosen the relevant authority must be satisfied that their choice of senior coroner is a rational, fair and proportionate decision. The coroner so appointed may be over the age of 70 and/or not comply with the 5-year judicial appointment eligibility condition, so long as the coroner was in post as senior coroner for one of the old areas when the 2009 Act came into force. Against this legislative background local authorities are reminded that all coroners hold office on whatever terms they agree with their relevant authority.

28. Local authorities are reminded that senior coroners may only be removed from office by the Lord Chancellor (with the agreement of the Lord Chief Justice) for incapacity or misbehaviour. Local authorities appoint senior coroners but they do not employ them. **They cannot remove or dismiss senior coroners by merger of coroner areas or in any other way.**

29. Where, therefore, two or more areas are to be merged, the relevant authority must look carefully at the options in advance in order to achieve fairness for the senior coroners of the old areas.

30. There can only be one senior coroner in a newly merged coroner area. Merger of two or more coroner areas will therefore involve the loss of office of one or more senior coroners. If one (or more) retires leaving only one senior coroner from the old areas remaining, under option 1 that senior coroner will usually be chosen as senior coroner for the newly merged coroner area, subject to the necessary consents.

31. Where however there are two (or more) senior coroners from the old coroner areas, the relevant authority will apply one or more of the following alternatives -

- (1) Appoint one as the new senior coroner.
- (2) Allow one or more to retire.
- (3) Offer the other (or others) where appropriate the salaried post of area coroner for the enlarged area at no loss of salary, or
- (4) Pay agreed compensation for early retirement.

32. It is expected that the relevant authority will take all reasonable steps to accommodate a former senior coroner who is displaced from the post of senior coroner by this process.

33. The relevant authority would be well advised to consider these alternatives in advance of merger.



**Option 2: Appointment following open competition**

34. Where the relevant authority decides upon option (2), the relevant authority will apply one or more of the following alternatives -
- (1) Hold an open competition. One or more senior coroners of the old areas may apply for the new post, as well as other candidates from within or outside the old coroner areas. The relevant authority appoints the best candidate after a full and open competition (subject to the necessary consents). See the Chief Coroner's Guidance No. 6 *The Appointment of Coroners*.
  - (2) Allow one or more senior coroners to retire.
  - (3) Offer the other (or others) where appropriate the salaried post of area coroner for the enlarged area at no loss of salary, or
  - (4) Pay agreed compensation for early retirement.
35. Where a senior coroner (or senior coroners) from one of the old areas applies but fails to win the competition, that senior coroner (or senior coroners) will be offered alternatives (2) – (4).
36. The relevant authority which decides on option (2) would be well advised to consider these alternatives in advance of merger.

**Compensation**

37. As a result of the process of merger, in particular in relation to option (2), one or more senior coroners from the old coroner areas may no longer hold the position of senior coroner. It is arguable that the displaced senior coroner (or senior coroners) is entitled to remain a salaried coroner (with no reduction in salary) but not entitled as of right to continue to hold the office of senior coroner. Be that as it may one of the alternatives in the process is to offer a displaced senior coroner from an old area a new position as area coroner in an enlarged merged area.
38. Another alternative is to offer and agree compensation for early retirement.
39. The amount of compensation will be a matter for the relevant authority. Local authorities will have their own established procedures for assessing compensation for loss of contract of employment which can no doubt be used in appropriate cases as a starting point for assessing loss of office. They will of course have to take into account the existing agreed terms and conditions between coroner and relevant authority and be mindful that senior coroners in post at the coming into force of the 2009 Act are not obliged to retire at the age of 70.

**Area coroners and assistant coroners**

40. Where two or more areas are merged the relevant authority of the new area, together with the new senior coroner, will have to re-assess the extent of the coroner team. Existing area coroners and assistant coroners cannot lose their posts just as a result of a merger. But the relevant authority is entitled to consider the needs of the newly merged area.
41. As the Chief Coroner's Guidance No. 6 *The Appointment of Coroners* provides, assistant coroners appointed after the coming into force of the 2009 Act should be appointed for an initial term of 12 months and thereafter for a renewable term of three years. For those who held these posts in the old areas, either as old or

new appointments, they should also be subject to renewable terms for posts in the new coroner area.

42. The Guidance also provides that assistant coroners who have not worked for three years should not be retained. That should apply to old and new areas.
43. Relevant authorities should always bear in mind that they can negotiate with all coroners for 'whatever terms are from time to time agreed' (paragraph 19, Schedule 3 to the Act).

**Advice**

44. In addition to receiving this written guidance local authorities or coroners may discuss any of these matters with the Ministry of Justice or the Chief Coroner's office at any time.
45. The Guidance of the Chief Coroner, Guidance No.6 *The Appointment of Coroners*, will be subject to this guidance and amended accordingly.

**HH JUDGE PETER THORNTON QC  
CHIEF CORONER**

**1 May 2014  
14 January 2016 revised**



---

**Executive****17 January 2019**

Report of the Director for Customer and Corporate Services  
Portfolio of the Executive Member for Finance and Performance

**Provision for Occupational Health****Summary**

1. The Executive on 18 October 2018 considered a report on the council's approach to Attendance Management and Wellbeing in which it was agreed to progress with an external provider to support attendance management. This report is seeking permission to re-procure the Occupational Health provision as the contract is due to expire. Occupational Health plays a vital role in the overall programme of support to the well being of staff across the council.
2. Occupational Health is one element of ensuring employees' health is supported and staff are able to fulfil their duties. This report summarises the current occupational health and osteopath provision and identifies what ideally we would want the contract to deliver in terms of outputs. The procurement approach (whether through an approved framework or full tender process) to be established, with the final service provision ultimately determined by affordability.

**Recommendations**

2. The Executive are asked to:
  - a) Agree to procure an integrated occupational health contract (including the management or provision of an osteopath service) effective from June 2019.

**Reason:** To ensure professional occupational health advice is available that can work with the council to develop solutions to keep employees with health issues at work.

b) Delegate to the Deputy Chief Executive and Director of Customer & Corporate Services power to select the appropriate procurement route and award the contract to the successful bidder.

## **Background**

3. The report considered by the Executive on 18 October 2018 summarised the range of activities and interventions in place or being put in place to support employee's health and wellbeing. The Council's Occupational Health service was noted in that report as one element of the overall provision.

Occupational health is the branch of medicine that deals with the prevention and treatment of job related ill health. Occupational health management of employee's health and care issues, early intervention and clinical assistance can contribute to a number of organisational benefits including: performance improvement, a reduction in unacceptable losses associated with ill health and injuries, a lowering of absenteeism, improvement in employee morale as well as a reduction in litigation costs.

The council has been receiving an occupational health service from Health Management Limited (HML) since 2014. The contract, which was procured originally through the Crown Procurement Framework, has been extended by means of a waiver for the last two years with the contract coming to an end on 23 June 2019. Permission is now sought to go through a procurement process to contract with an occupational health provider for a further 4-5 years.

The current occupational health contract, at an average annual cost of £ 135K (totalling £ 541K over the last 4 financial years<sup>1</sup>), provides a range of traditional occupational health services including:

- **Work Health Assessments;**
- **Assessment and provision of professional advice**, giving independent and professional diagnosis , prognosis and advice on staff unable to work due to long term or short term intermittent health problems, with a view to enabling the employee's return to work sooner;

---

<sup>1</sup> The current contract is accessed by schools, WWY and Explore who buy in to the service.

- **Health Surveillance and prevention** i.e. the provision of ongoing checks to prevent health problems occurring ensuring that employees remain safe at work and the council fulfils its legal obligations;
- **Employee Assistance Programme**, providing various support and counselling on a confidential basis to employees on a wide range of topics (both work and home) to assist their wellbeing.

A summary of the council's current use of this service can be found in Annex A.

In addition to the occupational health service, the council has a separate arrangement for an Osteopath service through Ryedale Osteopath Services Ltd (at an average cost of £19k per annum). This arrangement, also due to end on 22 June 19, is part of the council's proactive and preventative health and wellbeing provision. It is proposed to review and integrate this service as part of the wider OH service review to ensure clinical oversight with a more co-ordinated approach.

With an increased focus on employees wellbeing a more preventative approach to occupational health keeping employees safe and well at work, both physically and mentally is needed. The council is currently developing a workplace wellbeing strategy and a more complementary occupational health provision, which provides clinical oversight, will remain a key element of the overall programme.

### **Consultation**

4. A more holistic approach to occupational health is now needed. We have and will continue to work with a range of stakeholders across the organisation to help refine what the council's occupational health provision needs to look like. So the provision moving forward will not only provide professional advice where an employee is off sick but can work with the organisation to develop solutions to keep employees with/without health issues at work.

These stakeholders have included:

- JHSC;
- Workplace Wellbeing Strategy Group;
- Cross Directorate working group;

- Trade Unions

Annex B notes the range of services identified by the stakeholder groups needed to meet the needs of the organisation with the intention of having one contract to cover the whole provision including an osteopath service. Tenders may be sought on a number of different options from a basic like for like provision to a more enhanced option to support employee wellbeing and improve the route cause of absence.

## **5. Options**

- 5.1 **Option 1:** To agree to procure an integrated occupational health (including the management or provision of an osteopath service) effective from June 2019.

### **Analysis**

Through this method the organisation should be in a position to contract with a provider that will not only give independent and professional advice, ensure legal compliance in terms of health surveillance but can also work with the organisation to develop solutions to keep employees with health issues at work. A more proactive approach to health management should in turn reduce the cost of absenteeism, increase productivity and staff retention.

- 5.2 **Option 2** Spot purchase occupational health advice on an ad hoc basis as the needs arise.

### **Analysis**

Whilst medical advice can be sought on an ad hoc basis, those giving the advice may not be occupational health specialists. This approach would not result in a proactive co-ordinated approach to help keep employees at work and could be more costly in terms of managing attendance would not achieve economies of scale in terms of the service bought in nor would it provide a co-ordinated approach focussing on the needs of the organisation .

## **6. Council Plan**

An occupational health provision developed to meet the needs of the organisation to keep the workforce healthy and in work will help the council meet its strategic objective of “a focus on frontline services.” Increasing staff’s wellbeing will also help the Council meet its aim of “building the culture we need and attract, retain and develop colleagues”. Appropriate Occupational Health provision is

key in meeting the strategic aim within the Council's People Plan under Wellbeing and Engagement, "To be an organisation that supports and manages wellbeing .....We will manage risks sensibly and proportionately to ensure the levels of accidents and incidents of occupational ill health is as low as possible."

## 8. Implications

- **Financial**

The 2018/19 net budget for occupational health is £113,200, which takes into account the Schools usage of the service. Therefore the future procurement should evaluate the council element of the contract cost against the current net cost to the council to determine affordability.

- **Human Resources**

Professional occupational health provision and advice is key in keeping people safe and well at work both physically and mentally. A tailored occupational health provision that meet's the needs of the organisation to compliment the Council's overall employee wellbeing strategy is key to ensure a reduction in sickness absence. Lifestyle and Wellbeing services result in an increase in productivity and staff engagement /retention.

- **Equalities**

Occupational Health specialists are able to give recommendations which will assist the organisation make reasonable adjustments to help remove any inequality due to disability.

- **Legal** - Given the level of spend in previous years a procurement process meeting the requirements of the Public Procurement Regulations is likely to be required.

- **Crime and Disorder** N/A

- **Information Technology (IT)**

ICT have been consulted and will be part of the procurement specification and evaluation process to help ensure that any potential technology platforms submitted to use as part of a

referral process, are compatible and able to integrate with the Councils infrastructure.

- **Property**

An assessment will take place as part of and following the procurement process as to the need, if any, to identify appropriate accommodation and or premises.

- **Other**

N/A

### **Risk Management**

9. The provision of appropriate occupational health advice including health surveillance will limit the Councils risks in relation to keeping people healthy and safe at work.

### **Contact Details**

**Author:**

Trudy Forster  
Head of HR  
Ext 3984

**Chief Officer Responsible for the report:**

Ian Floyd  
Deputy Chief Executive and Director of  
Customer and Corporate Services

**Report  
Approved**



**Date** 3/1/19

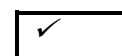
### **Specialist Implications Officers**

Financial  
Sara Kirby  
Principal Accountant  
Tel No. 1635

Legal  
Andy Docherty  
Assistant Director – Legal  
& Governance.  
Tel No. 1004

**Wards Affected:**

All



**For further information please contact the author of the report**



**Background Papers:**

None

**Annexes**

Annex A - summary of the council's current use of occupational health service from Health Management Limited (HML).

Annex B - range of services identified by the stakeholder groups as needed to meet the needs of the organisation.

This page is intentionally left blank

**Annex A**

Noted below is the Executive summary from HML’s annual report.

- The total number of management referrals from April 17 – March 18 was 479\* (a 10% decrease from the same period of the previous reporting year). \*This includes schools referrals.
- 295 (62%) of the management referrals were triaged to face to face assessment while 184 (38%) were triaged to remote occupational health advisor assessment.

OH referral Figures broken down by Directorate (excluding schools) for 2017/18 were as follows:

	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	TOTAL
<b>CCS</b>	3	4	6	3	5	1	1	7	4	3	4	8	<b>49</b>
<b>CEC</b>	1	10	13	15	5	9	16	18	26	9	13	18	<b>153</b>
<b>E&amp;P</b>	1	2	7	6	8	10	8	0	5	4	9	12	<b>72</b>
<b>HHASC</b>	12	20	11	8	12	5	10	11	8	13	10	15	<b>135</b>

- 18% of the diagnosed cases were deemed to be work-related,
- Mental Health and Musculoskeletal Disorders made up 41% and 27% respectively of the total diagnosed cases. This compares to 34% and 26% of cases across the HML client base

- The total number of Health Assessment Questionnaires received in the reporting period were 325 with 3% requiring further investigation
- The number of Health Surveillance carried out 253
- The total number of individual contacts with the Employee Assistance Service was 104 (July 17 to March 18).

**Occupational Health Provision:**

**Definition** : Occupational Health is the branch of medicine that deals with the prevention and treatment of job related ill health (please note this isn't a medical service per se for employees although we may want their input, clinical advice / support in putting in place a range of more preventative interventions .

**Occupational Health activity and outcomes**

The extent to the service put in place will depend upon cost and budget with a more holistic provision giving a mixture of preventative and reactive interventions . Flexibility as to where and when the services are accessed is also seen as key .

**Key**

**Core – services and advice needed to ensure appropriate management of staff and legal compliance;**

**Enhanced –additions to ensure a more managed accessible service with opportunities to enable early intervention**

Key	Part of Current Provision	Type of Activity	Why & Benefits	Possible outcomes we might be looking for from an OH provision
<b>Core</b>	Yes	Undertake Health Surveillance for specific roles.	To meet statutory requirement ; for the council to fulfil its obligations and importantly ensure employees remain safe at work.	<p>Carry out and manage (including appointments) an ongoing health surveillance programme in the following areas:</p> <ul style="list-style-type: none"> <li>Spirometry (Breathing Test)</li> <li>Audiometry (Hearing Test)</li> <li>Skin Checks</li> <li>HAV (Hand Arm Vibration)</li> <li>Night and Lone Working</li> <li>HGV (Heavy Goods Vehicles)</li> </ul> <p>prior to or within two months of recall date;</p> <p>Work with CYC to set suitable times for health surveillance appointments across service areas to minimise service disruption and non attendance that minimise service disruption and fit with shift patterns</p> <p>Health surveillance appointments to be carried out at our premises to limit disruption;</p>
<b>Core</b>	Yes	Method of referral and reports to be received via a secure online portal	To ensure confidentiality of medical information.	<p>Easy to use secure online system to refer and receive occupational health reports.</p> <p>Technology platform used is compatible and able to integrate with the Councils infrastructure</p>

<b>Core</b>	Yes	<p>Occupational health Clinical Advice triaged to appropriate health professional – e.g. Advisor or physician</p> <p>Including seeking specialist reports</p>	<p>To provide managers with information about the ill health / absence of their employee along with medical recommendations to inform appropriate action with the main aim being to support the employee back to work and/ or to help them remain in work.</p> <p>Triaging to the appropriate clinician and most appropriate method of referral to reduce turnaround times and costs.</p>	<p>All OH referrals are appropriately triaged to the most appropriate clinical route to enable the provision of information to CYC in relation to:</p> <ul style="list-style-type: none"> <li>• Prognosis;</li> <li>• Fitness for work;</li> <li>• Restrictions;</li> <li>• Adaptations;</li> <li>• Likelihood of further absence</li> <li>• Disability legislation</li> <li>• Ill health retirement</li> </ul> <p>Triage to include the most appropriate method of referral e.g. telephone referral/ face to face.</p> <p>Provide the organisation in the form of a written report with appropriate medical information to help the organisation support the employee and manage the absence from work appropriately and mitigate risk.</p> <p>Appointments (remote , face to face or skype) to take place within 5 days of referral to ensure timely intervention. Reports to be provided within 8 working days</p> <p>Assess and advise on ill health retirements</p>
-------------	-----	---	---	--

Core	In part	Provision of data – Qualitative as well as quantitative and interpretation of data to recommend actions organisation might want to consider reducing incidents of absence.	To enable effective contract management and inform practice around the use of the service.  To inform the organisation’s well being offer and other preventative interventions	Provide and interpret quarterly MI (to be defined):  Interpret and provide recommendations from an occupational health perspective on what the organisation might want to put in place
Core	Yes	Provision of an Employee Assistance service	Provide employees with 24 /7 access to information that can help reduce potential stressors which might otherwise impact on their wellbeing e.g. budget management; counselling support ; To help reduce absenteeism and keep employees at work. .	Provide an easy accessible employee assistance service 24/7 to provide advice on a range of topics and issues as well as provide psychological and or counselling services as requested.
Core	Yes	Provide and review Health assessment questionnaires for employees offered employment.	On line provision reviewed by exception to ensure we are aware of any ongoing health issues for new employees.  To keep employees safe at work	Provide an initial online screening Health assessment questionnaire. Carry out Health assessments for “exceptions” (type of assessment to be determined via a triage system) and advise CYC on outcomes. HAQ’s to be provided for new employees or employees changing roles. Any further investigations to be completed within 5 working days of receiving the completed questionnaire and reported within 7 working days.
Core	Additional	Seamless services	To join up services from different providers related to the health and wellbeing of CYC workforce . Provision of a more holistic approach.	Work with other CYC providers in relation to employee wellbeing activities.



Annex B

Core	Additional	OH Advisory Line	For use where a referral may not be necessary, but manager is looking for some clinical advice on how best to support an employee to help them remain in work. Preventative intervention to help reduce absenteeism.	Provision of telephone help desk and support for managers regarding health concerns and best way to support, (recognising referrals may not always be needed).
Enhanced	Additional	OH case conferences - for use in complex cases	For both employee and manager to understand issues and best way to proceed.	To recommend and hold as necessary case conferences to help support the organisation and the employee on the best way to proceed in managing the sickness absence with agreement of employee
Enhanced	Additional	Provision of on site health awareness sessions / initiatives to support the organisation's wellbeing agenda	Using MI from referrals; Employee data in terms of job roles etc and reasons for absence develop and deliver organisation / role specific appropriate awareness sessions. .  Occupational Health specialists being more able to provide role and environment specific interventions. To help reduce incidents of absence	Develop and deliver health education/ awareness sessions /year informed by MI from referrals & organisational MI in relation to absence data – targeted at specific workforce groups to reduce absenteeism ,  Eg Back care; Health issues related to aging workforce; Improving mental health Infection control Stress management
Enhanced	Additional	Clinical oversight and management of the osteopath service	To ensure all OH provision is appropriately managed and brought together.	Sub-contract or provide an onsite physio or osteopath service based on a clinical needs assessment.

Annex B

Enhanced	Additional	Wellness screening	<p>To help inform employees of potential health issues and education on healthy lifestyle choices.</p> <p>Available for whole workforce , to inform and help prevent ill health</p>	<p>Provide wellness screening on CYC premises for staff who meet agreed qualifying criteria to help inform staff of potential health issues and educate on healthy lifestyle choices.</p> <p>E.g Blood pressure ; weight; cholesterol checks</p>
Enhanced	Partly provided	Vaccination programmes	<p>Removes any additional steps in the process and ensures vaccinations paid for are given.</p>	<p>Provide and manage vaccination programmes for staffing groups whose job may place them at risk of particular infections and or who are in a critical role such as a flu vaccination programme.</p>