



## Notice of meeting of

### Executive

<b>To:</b>	Councillors Waller (Chair), Ayre, Steve Galloway, Moore, Morley, Reid and Runciman
<b>Date:</b>	Tuesday, 14 December 2010
<b>Time:</b>	2.00 pm
<b>Venue:</b>	The Guildhall, York

### AGENDA

#### Notice to Members - 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:

**10:00 am on Monday 13 December 2010**, if an item is called in *before* a decision is taken, *or*

**4:00 pm on Thursday 16 December 2010**, if an item is called in *after* a decision has been taken.

Items called in will be considered by the Scrutiny Management Committee.

#### **1. Declarations of Interest**

At this point, Members are asked to declare any personal or prejudicial interest they may have in the business on this agenda.

#### **2. Minutes (Pages 3 - 12)**

To approve and sign the minutes of the Executive meeting held on 30 November 2010.

### **3. Public Participation**

At this point in the meeting, members of the public who have registered their wish to speak regarding an item on the agenda or a matter within the Executive's remit can do so. The deadline for registering is **5:00 pm on Monday 13 December 2010**.

### **4. Executive Forward Plan (Pages 13 - 14)**

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

### **5. Minutes of Working Groups (Pages 15 - 28)**

This report presents the minutes of recent meetings of the Local Development Framework Working Group and the Equality Advisory Group (formerly known as the Social Inclusion Working Group) and asks Members to consider the advice given by the Groups in their capacity as advisory bodies to the Executive.

### **6. Affordable Housing Viability Study (Pages 29 - 54)**

This report presents the results of further research on the Affordable Housing Viability Study considered at the Executive meeting on 5 October 2010 and recommends that Members approve the Viability Study as a means of negotiating lower affordable housing targets.

*Note: A revised version of the above report was published with this agenda on 9 December 2010.*

### **7. York Local Investment Plan (Pages 55 - 132)**

This report presents for approval York's Local Investment Plan, which forms the Council's investment 'ask' to the Homes and Communities Agency from 2011-2015.

### **8. 2011-12 Budget Update II - Grant Funding (Pages 133 - 136)**

This report provides an update on the 2011-12 budget process, with emphasis on the latest information available regarding funding and how this might affect the Council's provisional grant settlement, which is scheduled to be announced during December

**9. The Reablement Service in York (Pages 137 - 160)**

This report advises the Executive of the opportunities of a remodelled reablement service, as part of a wider strategy to meet the challenges of changing demographics within the City, and asks Members to consider options on how best to meet these challenges.

**10. Establishing a Transition Board for Liberating the NHS (Pages 161 - 166)**

This report seeks agreement to the Terms of Reference for a Transition Board, to oversee the changes anticipated as a result of the White Paper "Liberating the NHS".

**11. 2010 Annual Performance Assessments: Adult and Children's Services (Pages 167 - 178)**

This report presents the outcome of the 2010 assessments, by the respective regulators, of the performance of adult and children's services within the City of York.

*Note: The above report was published with this agenda on 9 December 2010, as it was under embargo until that date.*

**12. 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) 551027
- E-mail – [fiona.young@york.gov.uk](mailto:fiona.young@york.gov.uk)

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

- Registering to speak
- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details are set out above.

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- register by contacting the Democracy Officer (whose name and contact details can be found on the agenda for the meeting) **no later than 5.00 pm** on the last working day before the meeting;
- ensure that what you want to say speak relates to an item of business on the agenda or an issue which the committee has power to consider (speak to the Democracy Officer for advice on this);
- find out about the rules for public speaking from the Democracy Officer.

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### Further information about what's being discussed at this meeting

All the reports which Members will be considering are available for viewing online on the Council's website. Alternatively, copies of individual reports or the full agenda are available from Democratic Services. Contact the Democracy Officer whose name and contact details are given on the agenda for the meeting. **Please note a small charge may be made for full copies of the agenda requested to cover administration costs.**

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If you have any further access requirements such as parking close-by or a sign language interpreter then please let us know. Contact the Democracy Officer whose name and contact details are given on the order of business for the meeting.

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### **Holding the Executive to Account**

The majority of councillors are not appointed to the Executive (40 out of 47). Any 3 non-Executive councillors can 'call-in' an item of business from a published Executive (or Executive Member Decision Session) agenda. The Executive will still discuss the 'called in' business on the published date and will set out its views for consideration by a specially convened Scrutiny Management Committee (SMC). That SMC meeting will then make its recommendations to the next scheduled Executive meeting in the following week, where a final decision on the 'called-in' business will be made.

### **Scrutiny Committees**

The purpose of all scrutiny and ad-hoc scrutiny committees appointed by the Council is to:

- Monitor the performance and effectiveness of services;
- Review existing policies and assist in the development of new ones, as necessary; and
- Monitor best value continuous service improvement plans

### **Who Gets Agenda and Reports for our Meetings?**

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City of York Council

Committee Minutes

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MEETING	EXECUTIVE
DATE	30 NOVEMBER 2010
PRESENT	COUNCILLORS WALLER (CHAIR), AYRE, STEVE GALLOWAY, MOORE, MORLEY AND RUNCIMAN
APOLOGIES	COUNCILLOR REID

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## **PART A - MATTERS DEALT WITH UNDER DELEGATED POWERS**

### **116. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda. No interests were declared.

### **117. EXCLUSION OF PRESS AND PUBLIC**

RESOLVED: That the press and public be excluded from the meeting during any discussion on annexes 9 and 10(b) to agenda item 8 (Award of Long Term Waste Management Service Contract), on the grounds that they contain information relating to the financial affairs of particular persons. This information is classed as exempt under paragraph 3 of Schedule 12A to Section 100A of the Local Government Act 1972 (as revised by The Local Government (Access to Information) (Variation) Order 2006).

### **118. MINUTES**

RESOLVED: That the minutes of the Executive meeting held on 16 November 2010 be approved and signed by the Chair as a correct record.

### **119. PUBLIC PARTICIPATION**

It was reported that there had been two registrations to speak at the meeting under the Council's Public Participation Scheme, both in relation to agenda item 8 (Award of Long Term Waste Management Service Contract).

Philip Crowe expressed concern that the contract was not for a waste recycling plant but for an incinerator producing energy with only 5% recycling. He pointed out that any increase on this recycling had not been substantiated and went onto refer to the economic aspects of the contract

and risks to the authority. Reference was also made to the wide ranging opposition to the scheme.

Richard Lane made representations on behalf of York Residents Against Incineration, a campaign group formed in 2006 in response to the “what kind of incinerator would you like” consultation. He stated that the group had been concerned that the authority would not consider the no-incineration route seriously which he stated had proved correct. He pointed out that a number of authorities had managed to develop a strategy without incineration, in many cases a cheaper option. He confirmed that he would be submitting a petition to this effect to the Council meeting on 7 December 2010.

## **120. EXECUTIVE FORWARD PLAN**

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

## **121. MINUTES OF WORKING GROUPS**

Members considered a report which presented the minutes of the Young People’s Working Group meeting held on 18 October 2010.

Members were invited to note the minutes, which were attached as Annex A to the report and which contained no specific recommendations to the Executive.

It was reported that the minutes of the meetings of the Local Development Framework (LDF) Working Group held on 6 September, 4 October and 25 October were currently available on-line and would be brought to the Executive in due course as annexes to reports relating to ongoing work on the LDF Core Strategy.

Having noted the comments of the Labour Group Spokespersons on this item, it was

- RESOLVED: (i) That the minutes of the LDF Working Group be noted and that:
- a) approval be given to the York Retail Topic paper, as set out in Annex A to the report to the Working Group, for publication as part of the LDF evidence base;
  - b) approval be given to the York Central Retail Assessment Stages 1 and 2, included as background papers to the Topic Paper, for publication as part of the LDF evidence base;
  - c) authority be delegated to the Director of City Strategy, in consultation with the Executive Member for City Strategy and the City Strategy Opposition Spokesperson, to make any other necessary changes arising from the recommendations of the LDF Working



- Group, prior to publication of the documents as part of the LDF evidence base;
- d) the recommended policy approach to future retail development, as set out in paragraphs 95 to 105 of the report to LDF Working Group, be noted as a starting point for developing the approach to retail development in the Core Strategy submission draft. <sup>1</sup>
- (ii) That Officers be requested to ensure in future that the minutes of the LDF Working Group are circulated with the report to Executive, that those items which include recommendations for Executive approval are clearly identified and that, to avoid delays in implementing recommendations, draft minutes are tabled as soon as possible. <sup>2</sup>
- (iii) That, in line with the resolution made at Full Council on 7 October 2010, Officers be asked to table the requested report on short term let properties as soon as practical. <sup>3</sup>
- (iv) That the minutes of the Young People's Working Group (YPWG), attached as Annex A to the report, be noted and that it be agreed that:
- a) the comments of the representatives of the York Youth Council be noted;
  - b) members of the YPWG continue to support the development of the Youth Council and its activities;
  - c) the YPWG support the notion of 'Change Champions' as a means of bringing together young people of all ages with decision makers and elected Members;
  - d) the YPWG support the role of the A Team, engaging with them four to five times per year;
  - e) Member attendance at the meetings of the Junior A Team be investigated.

REASON: In accordance with the requirements of the Council's Constitution in relation to the role of Working Groups.

Action Required

- |   |        |
|---|--------|
| 1. Publish papers as part of the evidence base.   | MG     |
| 2. Ensure LDF Working Group minutes are circulated with Executive report as soon as possible after their meeting. | FY, JC |
| 3. Present report on long term let properties to the Executive and include on the Forward Plan.                   | MG     |

**122. REVIEW OF FEES AND CHARGES FOLLOWING AN INCREASE IN THE STANDARD RATE OF VAT**

Members considered a report which responded to their request at the last Executive meeting for information on the effects of the pending increase in VAT on the Council's budget (Minute 109 refers).

In view of the Government's announcement of an increase in the standard rate of VAT from 17.5% to 20%, effective from 4 January 2011, it was proposed that the Council increase all its relevant fees and charges to reflect this increase, as set out in Annex A to the report (Option 1). The alternative was to leave fees and charges at their current rate (Option 2); however, this would result in a loss of income of approximately £50k during the current financial year.

Having noted the comments of the Labour Group Spokespersons on this item, it was

- RESOLVED: (i) That Option 1 be approved and that all fees and charges be amended as shown in Annex 1 to the report to reflect the increase in the rate of VAT. <sup>1</sup>
- (ii) That it be noted that, whilst fees and charges would increase, the overall level of income retained by the Council would remain the same, as all the increased income will be passed over to HMRC as VAT.

REASON: To ensure that the increase in VAT does not have a negative impact on council revenue.

Action Required

1. Amend fees and charges as agreed.

DM

**123. YORK HOUSING STRATEGY & OLDER PEOPLE'S HOUSING STRATEGY 2011-2015, NORTH YORKSHIRE HOUSING STRATEGY 2010-2015**

Members considered a report which presented for their comments and approval draft versions of the York Housing Strategy (YHS) and York Older People's Housing Strategy (OPHS) for 2011-15 and the North Yorkshire Housing Strategy (NYHS) for 2010-15.

The draft YHS, attached as Annex 1 to the report, summarised progress to date in delivering the previous strategy, identified the challenges ahead and set out six areas of work to be prioritised in order to achieve the vision of '*creating homes, building communities*'. The draft OPHS, at Annex 2, aimed to reflect emerging challenges in delivering appropriate housing options, to ensure that older people could make informed housing choices and to enable older households to remain independent for longer. The NYHS, at Annex 3, had been commissioned by the North Yorkshire & York Housing Board and included five strategic points that closely mirrored those in the YHS.

Officers referred to paragraph 29, the implications section of the report, and confirmed that there would be policy implications in the context of the report. The Equality Impact Assessments (EIA's) undertaken in relation to the Strategies had been now been circulated and would be published with the agenda on the Council's website.

Members were invited to comment on the strategies and either to approve them as written (Option 1), to make amendments before approval (Option 2) or not to approve them (Option 3).

Having noted the comments of the Labour Group Spokespersons on this item, it was

RESOLVED: (i) That the refreshed Housing Strategy, Older People's Housing Strategy and North Yorkshire and York Sub-Regional Housing Strategy be approved. <sup>1</sup>.

(ii) That it be noted that the focus of the housing strategies is on priorities and actions that make the best use of existing homes, the prevention of homelessness and timely and comprehensive housing advice, as well as making the strongest possible case for capital investment to build new affordable homes.

REASON: So that the draft strategies can be implemented, together with the action plans that support them.

Action Required

1. Implement strategies and action plans.

PM

**124. DEVELOPMENT MANAGEMENT PRE-APPLICATION ADVICE SERVICE**

Members considered a report which informed them of changes made to the Development Management function, to formalise the provision of a high quality, customer-focused pre-application service, and sought approval to introduce new fees and charges as a contribution towards the cost of the discretionary service.

The changes were associated with the transition earlier in the year from Development Control to Development Management. The proposed new pre-application service, as detailed in paragraphs 11 to 21 of the report, would be more structured, time-bound and customer-focused than the existing arrangements for providing advice before submission of planning applications. It was noted that an increasing number of local authorities now charged for pre-application advice, and some of these were listed in Annex 1 to the report. Details of the new fees proposed for York were set out in Annex 2.

Members were invited to consider the following options:

**Option A** – do not introduce charging for pre-application and other discretionary advice currently provided.

**Option B** – introduce charging for discretionary advice, as set out in Annex 2. This was the recommended option, as it would provide the optimum balance between recovering costs and encouraging pre-application engagement.

**Option C** – introduce charging, but with a generally lower fee rate.

**Option D** – introduce charging, but with a generally higher fee rate.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RESOLVED: (i) That Option B be endorsed and that the proposals to introduce the Development Management approach, with charging for the provision of pre-application advice in relation to planning and associated applications, be approved.

REASON: So that Officers can prepare for the implementation of an improved, customer-orientated approach to the provision of discretionary planning advice.

(ii) That the fees and charges outlined in Annex 2 to the report be approved for implementation from 4 January 2011.<sup>1.</sup>

REASON: So that the continued provision of an enhanced pre-application service can be assured.

(iii) That Officers prepare and publish details of guidelines / protocols explaining the nature and operation of the service and that these be publicised before the new arrangements are implemented.<sup>2.</sup>

REASON: So that developers and agents are aware of the reasons for the introduction of the new service arrangements and understand in advance of implementation how they will operate.

(iv) That a review of the service and arrangements for it be undertaken, with a report to be brought to Executive in January 2012.<sup>3.</sup>

REASON: So that the Executive may be advised of the impact of the proposals and consider any revisions to them as may be deemed necessary.

Action Required

- |   |        |
|---|--------|
| 1. Implement fees and charges as detailed in Annex 2.                                   | JC, MS |
| 2. Publish explanatory information prior to the implementation of the new arrangements. | MS, JC |
| 3. Add review of the service to the Forward Plan.                                       | SS     |

**125. APPROVAL OF THE CITY'S ANTI SOCIAL BEHAVIOUR STRATEGY 2011 TO 2014**

Members considered a report which invited them to approve the contents of the City's Anti-Social Behaviour (ASB) Strategy, covering the period 2011 to 2014.

The Strategy, attached as an annex to the report, had been developed in consultation with victims of ASB, the Federation of Tenants, Residents' Associations and other stakeholders in the City. It aimed to reduce the effect of ASB on the lives of York residents, with the emphasis on preventative measures. It included a three-year action plan, to be monitored by the ASB task group and the Safer York Partnership Board.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RESOLVED: That the Anti-Social Behaviour Strategy and the proposed monitoring arrangements through the ASB Task Group and, ultimately, the Safer York Partnership Board, be approved. <sup>1</sup>.

REASON: To ensure a focused and co-ordinated approach to tackling ASB in York, which is a high priority for the City.

Action Required

1. Implement strategy.

TB

**126. CORPORATE ASSET MANAGEMENT PLAN 2010 - 2016**

Members considered a report which presented for their approval the Council's 5<sup>th</sup> Corporate Asset Management Plan (AMP), setting out the priorities and process for dealing with the effective use and management of the Council's land and property assets.

The Corporate AMP, attached as Annex A to the report, covered the period 2011-2016. Previous versions had been absorbed into the Use of Resources section of the Comprehensive Area Assessment (CAA), which had now been abandoned. However, the Audit Commission's CAA criteria had been used as the basis for assessing performance. It was noted that a revised version of Annex A, incorporating in the introduction a reference to carbon management, clarifying references to the voluntary sector and the access data table, where relevant, related to the last 5 years, had been circulated to Members and would be published with the agenda on the Council's website.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RESOLVED: That the Corporate Asset Management Plan 2011-2016 for the City of York Council be approved and adopted. <sup>1</sup>.

REASON: In order to ensure a consistent, council-wide approach to the process of asset management, in conjunction with the Council's partner organisations.

Action Required

1. Adopt the Asset Management Plan.

PC, TB

**PART B - MATTERS REFERRED TO COUNCIL**

**127. AWARD OF LONG TERM WASTE MANAGEMENT SERVICE CONTRACT**

Members considered a report which advised of the outcome of the procurement of a contract for the long term waste management service.

In view of the fact that reliance on landfill as the primary method of waste disposal was not a sustainable strategy for the future, York and North Yorkshire councils had been working together for several years to identify an appropriate solution for the treatment of residual waste. A formal procurement exercise had taken place using the competitive dialogue procedure, beginning in summer 2006 and ending in autumn 2009 with evaluation of the two final tenders and the identification of AmeyCespa as the highest scoring bidder. A second stage review of affordability had then been carried out, followed by a due diligence check on the project by North Yorkshire County Council's Waste PFI Working Group, concluded in November 2010. Details of these processes were set out in the report.

Approval was now sought from North Yorkshire County Council to award the Waste PFI contract to AmeyCespa, from City of York Council to support the award, and from both councils to make sufficient budgetary provision for the term of the contract and to make the necessary delegations to finalise their Waste Management Agreement.

Having noted the comments of the Labour Group Spokespersons on this item, it was

RECOMMENDED: That Council agree to:

- (i) support the award of the Waste Private Finance Initiative (PFI) by North Yorkshire County Council to AmeyCespa for the service operation period of 25 years, with an option to extend for up to 5 years;
- (ii) commit to make sufficient budgetary provision (£750k per annum growth from 2011/12 to 2015/16 inclusive) for the contract for its term, and determine the limits of the affordability envelope within which financial close may be agreed, as set out in paragraph 193 of the report;

(iii) delegate authority to the Director of City Strategy (acting in consultation with the Director of Customer & Business Support Services and the Head of Civic, Democratic & Legal Services) to determine the final terms of the Waste Management Agreement between the County Council and City of York Council documents at commercial and financial close, as necessary, subject to the Agreement being within the affordability envelope agreed by Council;

(iv) delegate authority to the Director of City Strategy (acting in consultation with the Leader, the Director of Customer & Business Support Services and the Head of Civic, Democratic & Legal Services) to execute on behalf of the City Council the Waste Management Agreement with North Yorkshire County Council;

(v) authorise the Director of Customer & Business Support Services to issue the certificates under the Local Government (Contracts) Act 1997 to confirm the City Council's powers to enter into the contract referred to in the above paragraph;

(vi) give an indemnity to the Director of Customer & Business Support Services against any claim that may arise out of or in connection with the issue of the certificates under the Local Government (Contracts) Act 1997;

(vii) note that, if the above is agreed, the Executive will take all such decisions as may be required out of or in connection with the implementation of the decision to award the PFI contract to AmeyCespa, including agreeing that financial close may proceed within the limits of the affordability envelope set by the Council.<sup>1</sup>

REASON: In order for Council to determine whether to enter into a long term waste treatment contract.

Action Required

1. Refer to Council.

FY, BW

A Waller, Chair

[The meeting started at 2.00 pm and finished at 2.55 pm].

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EXECUTIVE FORWARD PLAN (as at 12 November 2010)

<b>Table 1: Items scheduled on the Forward Plan for the Executive Meeting on 4 January 2011</b>		
<b>Title &amp; Description</b>	<b>Author</b>	<b>Portfolio Holder</b>
<p><b>Affordable Housing Viability Study (AHVS)</b></p> <p><i>Purpose of report: To seek final approval of the Affordable Housing Viability Study following the progress report on 5 October 2010.</i></p> <p><i>Members are asked to: Approve the final report.</i></p> <p><i>Report now slipped to January meeting to allow time for consultation with the property forum.</i></p> <p><b>At the request of the Executive Member this report has now been brought forward to the 14 December 2010 meeting.</b></p>	Derek Gauld	Executive Member for City Strategy

<b>Table 2: Items scheduled on the Forward Plan for the Executive Meeting on 18 January 2011</b>		
<p><b>Income Policy</b></p> <p><i>Purpose of report: To present the revised Income Policy.</i></p> <p><i>Members are asked to: Approve the revised Policy.</i></p> <p><i>Consideration of this policy has been deferred from the October meeting to take account of any changes resulting from the budget process, to undertake consultation and for the outcome of More for York work.</i></p>	David Walker	Executive Member for Corporate Services
<p><b>Review of the Empty Homes Policy</b></p> <p><i>Purpose of Report: Review of the Empty Homes Policy affecting owners of empty properties.</i></p> <p><i>The Executive Member will be asked to: Consider whether there is justification for changing the empty homes policy.</i></p>	James Bailey	Executive Member for Neighbourhoods and Housing

<p><b>Race Online 2010</b></p> <p><i>Purpose of Report: The 9 million people in the UK who have never been online are missing out on big customer savings, access to information and education. They will be even more isolated and disadvantaged as government and industry expand ever faster into digital-only services. Race Online 2012 seeks to get 9 million people online by 2012. It is supported by the Government and led by Martha Lane Fox as UK Digital Champion. York Explore is a Champion Centre for UK Online and provides free help to anyone wanting to get online through a network of cascade centre libraries. We are now seeking to expand that through the Council signing up to Race Online as an official partner. Signing up is straightforward and done online. There are no specific targets, rather a commitment to create a whole council approach to digital inclusion.</i></p> <p><i>Members are asked to: Agree to sign up CYC as an official partner for Race Online 2012 with the pledge to Work with partners to provide opportunities for all York residents to gain the skills to get online within 20 minutes and 12 seconds of where they live - walking, cycling or rowing.</i></p>	<p>Fiona Williams</p>	<p>Executive Member for Leisure, Culture and Social Inclusion</p>
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<b>Table 3: Items slipped on the Forward Plan with the agreement of the Group Leaders</b>					
<b>Title &amp; Description</b>	<b>Author</b>	<b>Portfolio Holder</b>	<b>Original Date</b>	<b>Revised Date</b>	<b>Reason for Slippage</b>
<p><b>Low Emission Strategy Update</b></p> <p><i>Purpose of report: To update the executive on potential measures to be contained within a low emission strategy and on related actions to improve air quality.</i></p> <p><i>Members are asked to: Approve the actions to be taken forward in the Low Emission Strategy.</i></p>	<p>Elizabeth Bates/ Mike Southcombe</p>	<p>Executive Member for City Strategy</p>	<p>14 December 2010</p>	<p>--</p>	<p>This report is linked to the Local Transport Plan and will be need to be considered at the same meeting as this plan.</p>



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**Executive**

14 December 2010

**Report of the Assistant Director Legal, Governance and ICT****Minutes of Working Groups****Summary**

1. This report presents the minutes of meetings of the Local Development Framework Working Group (LDFWG) and the Equality Advisory Group (formerly known as the Social Inclusion Working Group) and asks Members to consider the advice given by the Groups in their capacity as advisory bodies to the Executive.

**Background**

2. Under the Council's Constitution, the role of Working Groups is to advise the Executive on issues within their particular remits. To ensure that the Executive is able to consider the advice of the Working Groups, it has been agreed that minutes of the Groups' meetings will be brought to the Executive on a regular basis.
3. Members have requested that minutes of Working Groups requiring Executive endorsement be submitted as soon as they become available. In accordance with that request, and the requirements of the Constitution, draft minutes of the following meetings are presented with this report:
  - LDF Working Group of 1 November 2010 (Annex A)
  - Equality Advisory Group of 11 November 2010 (Annex B)

**Consultation**

4. No consultation has taken place on the attached minutes, which have been referred directly from the Working Groups. It is assumed that any relevant consultation on the items considered by the Groups was carried out in advance of their meeting.

**Options**

5. Options open to the Executive are either to accept or to reject any advice that may be offered by the Working Groups, and / or to comment on the advice.

### **Analysis**

6. The Executive is asked to note the minutes of the LDF Working Group and to endorse the proposal that the retention of the existing draft Green Belt in line with citywide consultation responses, be used as a basis for finalising the LDF Core Strategy submission document.
7. There are no recommendations in the Equality Advisory Group minutes that require the specific approval of the Executive at this stage. However, Members are requested to note that, following the resignations of Sarah Fennell and Pete Blackburn from the Equality Advisory Group, the LGBT Forum have nominated Simon Rodgers and Hann Bunn to serve as their representatives on the group. The nominated representatives attended the meeting on 11 November 2010 as expert witnesses.
8. The Executive has the power to make appointments to its own Working Groups and hence if Members so wish, they may approve the above recommended appointments without reference to Full Council.

### **Corporate Priorities**

9. The aims in referring these minutes accord with the council's corporate values to provide strong leadership in terms of advising these bodies on their direction and any recommendations they wish to make.

### **Implications**

10. There are no known implications in relation to the following in terms of dealing with the specific matter before Members, namely to consider the minutes and determine their response to the advice offered:
  - **Financial**
  - **Human Resources (HR)**
  - **Equalities**
  - **Legal**
  - **Crime and Disorder**
  - **Property**
  - **Other**

### **Risk Management**

11. In compliance with the council's risk management strategy, there are no risks associated with the recommendations of this report.

### **Recommendations**

12. Members are asked to note the draft minutes attached at Annexes A and B, to endorse the proposal of the LDF Working Group that the retention of the

existing draft Green Belt in line with citywide consultation responses, be used as a basis for finalising the LDF Core Strategy submission document.

and decide whether they wish to:

- a. Approve the specific recommendation in respect of the appointment of two non-voting co-opted members nominated by the LGBT Forum, as set out in paragraphs 7 and 8 above, and/or;
- b. respond to any of the advice offered by the LDF Working Group or the Equality Advisory Group.

**Reason:**

To fulfil the requirements of the council's Constitution in relation to the role of Working Groups.

**Contact details:**

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**Chief Officer Responsible for the report:**

Andrew Docherty  
Head of Civic, Democratic and Legal Services

**Report Approved**    ✓    **Date**    26 November 2010

**Specialist Implications Officer(s)** None

**Wards Affected:**

All

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

**Annexes**

Annex A – Draft minutes of the meeting of the LDF Working Group of 1 November 2010

Annex B – Draft minutes of the meeting of the Equality Advisory Group of 11 November 2010

**Background Papers**

Agenda and associated reports for the above meetings (available on the Council's website).

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City of York Council

Draft Committee Minutes

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MEETING	LOCAL DEVELOPMENT FRAMEWORK WORKING GROUP
DATE	1 NOVEMBER 2010
PRESENT	COUNCILLORS AYRE, STEVE GALLOWAY (CHAIR), POTTER (VICE-CHAIR), D'AGORNE, MERRETT, REID, SIMPSON-LAING AND WATT

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## 19. DECLARATIONS OF INTEREST

At this point in the meeting Members were asked to declare any personal or prejudicial interests they might have in the business on the agenda. None were declared.

## 20. PUBLIC PARTICIPATION

There were three registrations to speak under the Council's public participation scheme

A representative of Meadland's Residents Group spoke in support of Issue 3 Option 1 in the Core Strategy report and urged Members to protect York's Green Belt.

A Member of the Public spoke in relation to the LDF Working Group meeting on 6<sup>th</sup> September. He advised that other local authorities respond to residents' concerns relating to houses of multiple occupation and urged City of York Council to do the same.

A member of the public spoke to raise concerns regarding the Transport implications document and the lack of mention of climate change. He referred Members to the report by Alan Simpson which highlights the importance of more parks and open spaces for the City. He cited Harrogate as a town which is a leader in environmental management.

## 21. LOCAL DEVELOPMENT FRAMEWORK: CITY CENTRE AREA ACTION PLAN - UPDATE

Members considered a progress report on the City Centre Area Action Plan (AAP) which outlined the next steps for 8 key areas of work that are required to complete the Preferred Options document. The areas of work include:

- Review of the conclusions of the York Economic Vision report to consider if and how best to incorporate these into the AAP.

- Production of the Conservation Area Appraisal and incorporation of the findings into the AAP.
- Production of the City Centre Movement and Accessibility Framework and incorporation of the findings into the AAP.
- Public realm and key sites analysis and options.
- Analysis of the deliverability of the preferred option.
- Finalising the submission Core Strategy section on the City Centre.
- Drafting the preferred options document.
- The Sustainability Appraisal of the document.

The report was intended as an update to make Members aware of the current situation.

Members then queried the following issues:

- Whether Air Quality would be considered in the City Centre Movement and Accessibility document.
- Whether Officers are assessing the deliverability of the proposals of the economic visioning work.
- Concern at the timing of the consultation in relation to some of the above items of work.
- Whether Micklegate would be considered in the City Centre Movement and Accessibility document.
- Progress of discussions regarding the Castle Piccadilly site

RESOLVED: That Members noted the report.

REASON: To help progress the Area Action Plan to its next stage of development.

## **22. TRANSPORT IMPLICATIONS OF THE LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY**

Members considered a report which presented the analysis of the implications for transport arising from the proposed growth assumptions within Local Development Framework (LDF) Core Strategy. The report also suggested investments in transport infrastructure and other measures that would be necessary to support the projected growth in employment and housing.

Officers advised that the report followed on from the LDF Preferred Options Topic Paper 3 – Transport prepared by Halcrow in June 2009. The key outcomes for York as gathered from the analysis were outlined at paragraph 4 of the report.

Members made the following comments:

- It would be useful for Members to have further detail on what the impact would be if more people were commuting into the City due to a lack of housing.



- Certain Members queried whether information on the impact of Carbon Dioxide due to traffic growth would be included in the final report.
- The recommendations from the recent Traffic Congestion Scrutiny Final report should be noted by Officers especially in relation to bus services and the scale of investment required and innovative forms of funding.
- Shifts in vehicle types to non-carbon models would be effective in York in relation to air quality and should be encouraged as early as possible.
- Members acknowledged that Government funding will be a major issue and will affect what can realistically be achieved in York.

Members suggested that the proposed approach detailed at paragraph 68 of the report be amended to include the following bullet points:

- Put together and seek a major funding bid to tackle congestion.
- Earliest Introduction of non-carbon fuel based transport as soon as possible.

RESOLVED: (i) That Members noted the content of the report.

(ii) That the proposed approach outlined at paragraph 68 of the report be amended to include the additional bullet points as detailed above.

REASON: To enable the transport implications and transport investment requirements to be taken into account in preparing the Local Development Framework Core Strategy.

## **23. LOCAL DEVELOPMENT FRAMEWORK CORE STRATEGY**

Members considered a report which followed on from a report presented to them on 4<sup>th</sup> October which highlighted a series of issues relating to the Core Strategy arising from the changing policy context, specifically seeking Members views on potential alterations to the spatial strategy component of the LDF Core Strategy.

The report, following on from the 4<sup>th</sup> October meeting considered further the following issues:

- The level of future housing;
- The level of future employment land provision; and
- Options for identifying the extent of York's Green Belt.

In addition it also considered the implications of different levels of housing growth on Affordable Housing delivery and included information on the potential issues surrounding the soundness of the plan.

Members put forward the following comments:

The Level of Future Housing

Members considered the implications of levels of growth against need, implications on affordable housing levels and the potential implications for The Green Belt.

Discussions were also had on the inclusion of windfalls. There was a acceptance that York benefited from windfalls but the key issue discussed was the potential levels.

The majority of the group supported the lower levels of housing (around 569 pa). Officers were asked to look at the further reallocation of employment sites for housing and to consider whether higher densities could be achieved towards the end of the plan period.

The Level of Future Employment Land Provision

- Members supported the continuation of up to 1,000 jobs pa.
- Members reiterated that in respect of Northminster (Area of Search I) and the existing employment allocation it would be prudent to identify and safeguard some land for employment in that area.
- Members referred Officers to their comments made at the last meeting particularly relating to proposed area of search 'C' and North Selby Mine.

Options for identifying York's Green Belt

Members agreed on Option 1 – to retain the existing draft Green Belt in line with citywide consultation responses.

RESOLVED: (i) That Members instructed Officers on the future approach to be taken through LDF Core Strategy as outlined above.

(ii) That Members instructed Officers to seek legal advice with regard to the issue of 'Soundness' of any proposed future approach for the LDF Core Strategy.

REASON: (i) To help progress the LDF Core Strategy to its next stage of development.

(ii) To help progress the LDF Core Strategy to its next stage of development.

Cllr S F Galloway, Chair

[The meeting started at 4.30 pm and finished at 6.20 pm].

## City of York Council

## Draft Committee Minutes

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Meeting	Equality Advisory Group
Date	11 November 2010
Present	Councillors Ayre (Chair), Aspden, Brooks, Crisp (Vice-Chair) and Gunnell  Non-voting Co-opted Members: David Brown – York Access Group John Burgess – Mental Health Forum Lynn Jeffries – York Independent Living Network Sue Lister – York Older People’s Assembly Diane Roworth – York Independent Living Network Rita Sanderson – York Racial Equality Network  Expert Witnesses: Hann Bunn – LGBT Forum Tony Martin – York Older People’s Assembly Claire Newhouse – Higher York Russell Norton – LGBT Forum Simon Rodgers – LGBT Forum Maureen Ryan – Valuing People Partnership
Apologies	Daryoush Mazloum – York Racial Equality Network Carolyn Suckling – Access Group Paul Wordsworth – Churches Together in York George Wright - Humanist

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**11. DECLARATIONS OF INTEREST**

Members were invited to declare at this point in the meeting any personal or prejudicial interests they might have in the business on the agenda. None were declared.

**12. MINUTES**

Resolved: That the minutes of the meeting of the group held on 30 June 2010 be approved as a correct record subject to minute 4 being amended to record “that other members of the group supported Councillor Aspden’s request that his unease at perceived narrowing of the group’s focus be recorded”.

In accordance with the Group’s request that their recommendations were tracked to ensure that they were being actioned, an update was given on matters arising from the previous minutes:

(i) Allocation of £1000 Poverty and Exclusion Awareness Raising Fund

It was noted that Sarah Fennell, who had been co-ordinating the arrangements for the filming of a documentary to raise awareness of poverty and social exclusion, had resigned as a member of the Equality Advisory Group. It was unclear as to whether any progress had been made with the project.

Resolved: (i) That Simon Rodgers look into this matter following the meeting.<sup>1</sup>

(ii) Disabled User Toilets

The Group was informed that discussions were still ongoing as to whether it would be possible to ensure that a member of staff was alerted if an alarm in the disabled user toilets was activated. Members of the Group suggested that the alarms should be linked to warden call. If this was not possible the alarms should be removed as they currently provided a false sense of security. Concerns were also raised regarding problems in respect of accessibility and design of the toilets and basins.

Resolved: (ii) That "Disabled User Toilets" be an agenda item for the next meeting and relevant officers be invited to attend to discuss the issues that had been raised.<sup>2</sup>

Action Required

- |                                   |    |
|-----------------------------------|----|
| 1. Notify EAG members of progress | EC |
| 2. Agenda item for next meeting   | EC |

**13. PUBLIC PARTICIPATION**

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

**14. COMMUNITY ISSUES**

The Chair welcomed new members to the group. Introductions were carried out.

Community representatives were given an opportunity to raise equality and inclusion matters about council policy and services as they affected them and the groups they represented. The following issues were raised:

(i) Green Badge Scheme

Sue Lister, on behalf of the York Older People's Assembly, raised concerns regarding the difficulties that a member of the public had faced when trying to obtain a green badge permit. Members of the

group agreed that there was a lack of clarity as to the areas covered by the green badges, how they differed to the blue badge permits, and as to whether they had to be renewed on an annual basis.

Resolved: (i) That further information on this issue be provided at the next meeting<sup>1</sup>.

(ii) Pedestrian Safety on Beckfield Lane

Sue Lister, on behalf of York Older People's Assembly, raised the issue of pedestrian safety on Beckfield Lane. Concerns had been expressed as to whether an Equality Impact Assessment had been completed which considered the needs of vulnerable pedestrians in the context of encouraging cycling on pavements. Members of the group stated that pedestrian safety was an issue in many areas of the city. Shared space could be very difficult for pedestrians, particularly for children, people with mobility problems or those with hearing or sight difficulties.

Resolved: (ii) That officers from Cycling City be requested to attend the next meeting to give further information on this issue.<sup>2</sup>

(iii) York Older People's Assembly Questionnaire

The Group was informed that 105 questionnaires had been completed at the 50+ Festival. It was hoped that the information they contained would be very useful to the council. Thanks were expressed to Claire Newhouse for the advice she had offered in respect of processing the data.

(iv) Homecare

Lynn Jeffries drew the group's attention to the Equality and Human Rights Commission Inquiry into Homecare. It was suggested that the Equality Advisory Group may wish to contribute to the inquiry.

Resolved: (iii) That details of the inquiry into homecare be forwarded to the group<sup>3</sup>.

(v) Good Neighbour Guide

Claire Newhouse gave details of the work that Higher York's students' forum was carrying out to prepare a "Good Neighbour Guide". Ideas for items for inclusion in the guide were welcome.

(vi) Valuing People Partnership

Maureen Ryan gave details of issues that had been raised by the Valuing People Partnership including:

- Respite care
- Leisure – how people with disabilities spend

their time.

It was hoped that a survey could be carried out which would assist integrated working as well as highlighting any omissions in provision.

It was noted that at the launch of the York Independent Living Network, the issue of respite care had also been raised and hence there might be the opportunity for the two organisations to work together on this. It was suggested that the personalisation agenda would link to the issue of leisure.

(vii) YREN Representation on the Equality Advisory Group

Rita Sanderson reported that, at their next meeting, YREN would be nominating their two representatives to serve on the Equality Advisory Group for the next year. In view of the Equalities Act the group would not be specifying that there should be one male representative and one female representative. YREN's feedback report on its involvement with the Equality Advisory Group would be made available. The feedback would acknowledge that there had been some very positive changes in the development of the EAG.

(viii) Sharing of Information

Rita Sanderson drew the group's attention to work that the City of York Council's Early Intervention Manager was carrying out to obtain information about child poverty in the city. YREN would be contributing to the information and encouraged other groups to do the same, as the sharing of information prevented duplication of work.

(ix) York Independent Living Network

Lynn Jeffries informed the group that there had been very positive feedback following the launch of the York Independent Living Network (YILN). The key issues for members of the network were around personalisation.

Members of the group stated that they hoped that the council would engage in honest and open dialogue with community groups with regard to the personalisation agenda.

(x) Accessible Buildings

Lynn Jeffries, on behalf of YILN, expressed concern that a number of council buildings were not accessible, including the equipment centre. It was also a cause of concern that guidance was not always followed in terms of the decorating of council buildings and signage.

Resolved: (iv) That an item on “planning, access and design” be included on the agenda for a future meeting.<sup>4</sup>

(xi) International Shared Meal

The Group were invited to look at the display boards illustrating the recent international shared meal. This had been a very successful event.

(xii) Forthcoming Events

The EIA Fair would take place on 30 November 2010. The programme for the day would be circulated to members of the group and via the York CVS.<sup>5</sup>

Representatives of community groups gave details of forthcoming events to which members of the EAG were invited to attend.

Action Required

- |                                     |    |
|-------------------------------------|----|
| 1. Report back to next meeting      | EC |
| 2. Report back to next meeting      | EC |
| 3. Circulate weblink to EAG members | EC |
| 4. Include on EAG workplan          | EC |
| 5. Circulate EIA Fair programme     | EC |

**15. SPENDING REVIEW AND COUNCIL BUDGET**

A presentation was given on the Spending Review and how the review was expected to affect council budgets and ways of working. Officers explained that the actual financial impact for the City of York Council would not be known until December but that the potential loss to the council could be several million pounds. In order to meet this challenge, work was already taking place, under the More For York programme, to transform the way in which the council operated.

The presentation included details of how members of the Equality Advisory Group could be involved in the budget consultations that would be taking place. There would be an initial opportunity for members of the group to raise issues at the meeting that had been arranged with the council’s chief executive and directors on Wednesday 15 December 2010. A special meeting of the Equality Advisory Group would be convened in January when more detailed information about the budget would be available.<sup>1</sup> Community representatives on the EAG would then have the opportunity to consult their groups about the impact of proposed cuts or growth areas.

The group’s attention was drawn to a government document entitled “Overview of the impact of Spending Review 2010 on equalities”. It was reported that the Equalities and Human Rights Commission had issued guidance for people making budget decisions in the public sector. The guidance had been circulated to relevant council officers and councillors. Following the presentation the group made the following comments:

- In respect of the data that indicated that 2.5% of the population in York received help to live at home, the group requested more information as to how this figure was defined.<sup>2</sup>
- Because both the City of York Council and the PCT were low spending authorities this meant that any cuts to services had an even greater impact.
- Community representatives were encouraged to stress to their members, the importance of completing next year's census. It was important that the data collected about the city was as accurate as possible and that it was funded accordingly.
- It was important that the information that was presented to the public as part of the consultation was fully accessible. The York Blind and Partially Sighted Society offered their services in making information accessible and distributing it to those on their database<sup>3</sup>.
- It was important that very effective audit and monitoring arrangements were in place when services were commissioned.
- The council could save money by ensuring that the information that it provided to the public was accessible at source. It was noted that the Corporate Equality and Inclusion Manager served on the Accessible Information Working Party convened by the Valuing People Partnership. There was a commitment to create a charter to ensure that information provided by the council and other organisations such as the PCT was accessible and that the guidance was disseminated to all staff.
- Members of the group stated that it was important that EIAs focussed on the needs of groups of vulnerable individuals and the level of care they required.
- Information was sought as to whether there had been a change in council policy in respect of people receiving residential care outside of the authority, as it appeared that a number were now returning to be cared for within York. Clarification was sought as to whether this decision had been taken to make financial savings.<sup>4</sup>
- Clarification was sought as to whether EIAs were being carried out as part of the More for York process. Officers confirmed this to be the case and stated that a number of these had been considered by the EAG.
- During discussion regarding collecting equality data from people who respond to council budget consultations, Simon Rodgers requested that the equalities questionnaire that had been agreed at the meeting on 30 June 2010 be amended to read "sexual orientation" rather than "partnership preference". This terminology was in line with guidance issued by organisations such as Stonewall. Members of the group explained why the recommendation had been made to use the term "partnership preference" but agreed that this should be replaced by "sexual orientation" when the questionnaire was used in future.<sup>5</sup>

Action Required

- |   |    |
|---|----|
| 1. Update EAG workplan                  | EC |
| 2. Circulate information to EAG members | EC |
| 3. Notify relevant officers             | CC |
| 4. Circulate information to EAG members | EC |
| 5. Update questionnaire                 | EC |





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**Executive****14<sup>th</sup> December 2010**

Report of the Director of City Strategy

**AFFORDABLE HOUSING VIABILITY STUDY****Summary**

1. A report on the Affordable Housing Viability Study (AHVS) was considered on 5th October 2010 by the Council's Executive, which endorsed the Dynamic Model as a mechanism for setting affordable housing targets. Members also resolved to allow additional time in order to further research and test values and costs set out in the study with a sub-group of the York Property Forum, York & North Yorkshire Chamber of Commerce and other developers in York.
2. Since that meeting further work has been carried out by CYC Officers and members of the Property Forum. Agreement has been reached on many assumptions set out in the study, but there are unresolved differences on how land values and developer profits are treated.
3. Annex 1 of this report sets out the results of the research and includes Officer recommendations on where it is agreed that assumptions should be changed, and where they should be retained.
4. Re-running of the recommended revised assumptions produces an amended target of 35% affordable on greenfield sites, but no effect on the brownfield sites' target of 25%. There is an additional opportunity to reduce both the brownfield and greenfield targets to 21.5% and 31.5% respectively if a minimum 25% developer profit is required to unlock finance and can be supported with robust evidence.
5. This represents a substantial move away from the current 50% blanket target, and has an accountable reference base. There remains the opportunity to submit individual site appraisals and even lower targets - as is the case currently - if it can be ably demonstrated that these lowered targets cannot be met. It is a fair, consistent, transparent and accountable policy approach which still responds to the national call for authorities to maximise opportunities to provide affordable housing.
6. It is recommended that these targets be introduced now for Development Control purposes – before the Core Strategy is adopted. This represents a clearly researched and up-to-date approach, which responds to current market conditions and is in line with government

guidance. The legal implications of introducing the revised targets now as interim policy, are set out in paragraph 35 of this report.

## **Background**

7. The Council has previously endorsed the use of the Fordham Dynamic Model for setting affordable housing targets. The Inspector at the RB Kensington and Chelsea Core Strategy Inquiry has approved the Fordham Dynamic Viability principle in his report, just published. This is the first Inspector's report on the issue.
8. The study provides targets for what level of affordable housing will be viable, based on a detailed assessment of site viability on a range of sites in York which, together, give a fair representation of the types of sites, values and costs expected. The dynamic model allows the targets to remain aligned with market conditions based on house prices, build costs and alternative use values of land. If, for example, house prices fall and/ or build costs increase then viability will fall and affordable housing targets will be lowered, based on a detailed matrix of values.
9. The variables can be updated annually based on established sources – the BCIS index of costs, the Halifax House Price Index, and the local Valuation Office Agency (VOA) analysis of land values. It is the intention that the model is re-run each year, in June, and results published.

## **Conclusions of the Study**

10. The Fordham Study is based on research carried out in 2009/ 2010. It concludes that greenfield sites, with generally lower land and build costs, can accommodate more affordable housing than their brownfield equivalents without affecting viability to the extent that reasonable developer profit is compromised.
11. Table 1 below identifies targets based on the existing assumptions set out in the study (April 2010), and proposed targets following a re-run of the model with CYC Officer recommended assumptions.

<i>Table 1 - Summary of existing and revised targets</i>		
<i>Nature of target</i>	<i>Viability Study Target</i>	<i>Revised target after re-running the Officer Recommended Assumptions</i>
<b>Short term targets (Target 1):</b> <i>Broad-brush (brownfield) PPS3 target on sites of 15+ dwellings</i>	25%	25%
<i>Greenfield target on sites of 15+ dwellings</i>	40%	35%
<i>Sites 11-14 dwellings</i>	25%	25%
<i>Sites 5-10 dwellings</i>	20%	20%
<i>Sites of 2-4 dwellings</i>	<i>Commuted sum</i>	<i>Commuted sum</i>
<b>Long term need requirement target (Target 2):</b> <i>Plan long and including grant expectations</i>	50%	50%

12. It can be seen that re-running the model with the revised assumptions makes no impact on brownfield sites, but it is proposed to lower the greenfield target from 40 to 35%.

### **Delivering Lower Affordable Housing Targets**

13. In addition to this there remains a question over reasonable developer profit. Historically this local authority, like many others, has worked to 20% on costs. This has been an established industry level, with some house builders prepared to go lower in order to secure a site development in York. Representations from York developers and house builders, however, argue that 20% is now the minimum that any developer would accept in the present climate and consider that 25% would be more appropriate. In response Officers maintain that 20% is healthy and fair; it is supported by the Homes and Community Agency (source: CLG/ HCA Public Land Initiative, February 2010).
14. However, in order to move this on, the considered recommendation is to put the onus on developers to prove that nothing less than 25% will be accepted on individual sites for lending reasons. If it can be demonstrated, through open and independent proof of correspondence, then targets on that site (both brown and greenfield) will be lowered by a further 3.5% (ie. to 21.5% and 31.5% respectively). This is the impact of

increasing profit by 5% when set against all other costs in the viability model.

15. Recent negotiations and individual assessments of site viability support the study findings in that they conclude that brownfield targets of 25% minimum are achievable even in these days of economic downturn, for example Terry's (30%), and Nestle (25%).
16. However, individual site appraisals can still be submitted if a developer really can demonstrate that the new targets cannot be met, and should be lowered further still, but these must be independent and robust, with detailed evidence of costs and revenues.

### **Analysis - Market Conditions**

17. The national downturn in the housing market and wider credit crunch has resulted in a major scaling back of short-term activity in the country as house builders have become more financially exposed. In York, as in other towns and cities, they are looking to the medium to long-term, waiting for the market to recover.
18. This downturn has led to a slowing down in housing applications coming forward and, in some cases, construction on sites has stopped. Since over 80% of new affordable housing in York is currently secured as part of private developments, this has inevitably led to a slowing up of affordable housing coming forward.
19. Total completions are set out in the table below, together with affordable house completions. The affordable totals do not include additional affordable homes completed through CYC housing investment programmes in partnership with Housing Associations, which amount to an additional 64 affordable homes in 2008/09 and 52 in 2009/10. The overall percentages are below 25% largely because of the substantial number of small schemes coming forward – ie. below the current threshold of 15 dwellings, below which there is no requirement for affordable housing.

Table 2 Housing Completions and Affordable Housing completions on private housing schemes 2005 – 2010.

<b>Year</b>	<b>Total Housing Completions</b>	<b>All Affordable Housing Completions</b>	<b>Total Housing Completions on Qualifying Sites*</b>	<b>Affordable Housing Completions on Private Developments</b>	<b>% Affordable Completions on Qualifying Sites</b>
2005/06	906	148	458	108	23.6%
2006/07	798	56	333	56	16.8%
2007/08	523	51	176	21	11.9%
2008/09	451	151	163	54	33.1%
2009/10	507	138	192	45**	23.4%

Quarters 1 and 2 of 2010/11	264	142	174	111**	63.8%
<b>Total</b>	<b>3,449</b>	<b>686</b>	<b>1,496</b>	<b>395</b>	<b>26.4%</b>

\* For the avoidance of doubt, a qualifying site is a private developer led site which triggers the affordable housing policy through the planning system. The current affordable housing policy is triggered at sites of 15 homes or 0.3ha in urban areas and 2 homes or 0.03ha in rural areas.

\*\* Includes 18 completions in 2009/10 and 31 completions in 2010/11 on private developments that are in addition to the negotiated affordable housing requirement. These have been secured through deals with private developers to buy surplus stock and kick-start developments that have stalled due to the poor market conditions. These have covered a range of tenures supported with low rates of Social Housing Grant. Negotiations are currently ongoing to purchase a further 50 homes on private developments across the city.

20. There is now evidence of recovery on many development sites in the city, with some (York College, Birch Park, The Croft – see Annex 2) only progressing because of affordable housing and the certainty of funding it brings.
21. A recent report by Savills (*Savills Research – Residential Property Focus, August 2010*) concluded that “the low transaction levels are undoubtedly a reflection of the ability and, importantly, the desire of people to trade in the current economic environment.” The report goes on to say that “any improvements to the availability of secured lending have been minimal and the Credit Conditions Survey published by the Bank of England suggests more lenders expect the availability of mortgage products to contract marginally over the third quarter of 2010.”
22. Most commentators would agree that the downturn in house building activity has happened because of (1) consumer conservatism (borrowers are even more nervous now, with the ongoing spending review), (2) availability of decent mortgages (strict mortgage rationing still in force with first time buyers, especially, having to find significant sums for deposits (typically 20%), and (3) bank lending to house builders (there is some evidence now of this beginning to free up as some banks are taking a longer term view and letting house builders re-invest and retain their businesses).
23. The Savills report, as with other national reports on the state of the housing market, did not highlight affordable housing targets as a reason for the slump in housing construction. Whilst some local developers have expressed concerns that affordable housing requirements are restraining the market, they also refer to schemes in York with zero affordable housing, which are not going ahead because of the wider, national issues set out above.

## **Kick-starting the Housing Market**

24. The introduction and use of the dynamic model immediately lowers affordable housing requirements in York to 25% and 35% for brownfield and greenfield sites respectively. If a 25% developer profit is justifiable these rates would be lowered further to 21.5% and 31.5%. The submission of an individual site viability appraisal will continue to provide a route by which developers could secure a lower target.
25. Availability of development finance and mortgage availability are seen as the key factors in the housing market downturn. Paragraphs 17- 23, above, address this in more detail. If Members were to consider a further lowering of the targets to stimulate the market this would not address these fundamental restraining factors. The Homes and Communities Agency has offered 2 rounds of funding to developers from its Kick-start Housing Delivery Programme. No York developers have taken up this offer, which is aimed at unlocking stalled sites.
26. A lower time-limited target would need to link to the commencement of development and completion of houses within a specified period. The concept of commencement of development is much clearer in planning law than the notion of development completion. This inevitably raises issues of enforceability of such an approach. One time period is unlikely to be appropriate for all circumstances as larger schemes can take a number of years to build out.
27. To avoid the risk of judicial review/ High Court challenge any discount would also need to be offered to developers who have already got planning permission and this would lead to the re-negotiation of S106 agreements which could further slow development down and undermine agreed commitments. There is no Government guidance on this type of approach, and further legal advice from Counsel is advised if there is any intention to pursue it.

## **Interim policy**

28. The adoption of the 35% Greenfield and 25% brownfield targets for development control purposes can be taken immediately. Introduction of these targets and thresholds now - before the Core Strategy is adopted - represents a clearly researched and up-to-date approach that responds to current market conditions and is in line with government guidance. It will be for independent Inspectors to consider what weight should be attached to interim policy.
29. Whilst site targets in York are already being reduced to 25 - 35% following individual assessments of site viability, it is considered that this more formal declaration may help to clarify and provide more haste in pre application discussions. In essence, no individual site assessment will be required where submissions on brownfield sites of 15 or more

dwellings include 25% affordable housing, or 35% on greenfield sites, subject to annual review at the time of submission.

30. Whilst clearly not part of the LDF, the policy is fully researched, backed by up-to-date evidence, and has been consulted on. The Inspector at the RB Kensington & Chelsea Core Strategy Inquiry has recently approved the Fordham Dynamic Viability Model. The revised targets should speed up the planning process, as it is anticipated that the majority of applications will not require an individual viability appraisal, as is the case currently.
31. The Dynamic Model is a new approach, based on future changes to house prices, build costs and alternative land use values, and will be reviewed through the Annual Monitoring Report to ensure the delivery of affordable housing in York is not compromised.
32. The AHVS is an independent study, carried out by very experienced consultants. Whilst stakeholders have voiced concerns over a number of issues these have been addressed and Officers have recommended some changes. It is worth noting, however, that Fordham Research have defended their approach and believe that they would be upheld at Inquiry.
33. It is important that affordable housing in York is maximised given the high level of need demonstrated in the Strategic Housing Market Assessment and the Council's aim to build thriving and inclusive communities. It is considered that, through this study, clear and reasonable affordable housing targets have been set. They are considerably lower than the current 50% target and appear to be supported by recent individual assessments of site viability.
34. The precise, practical workings of the Dynamic Model and how it will be embodied in policy and supplementary planning documents will be further developed. The revised Core Strategy Affordable Housing Policy is due to be brought back to Members early in 2011 as part of the LDF Submission Draft. As Members are aware three options were consulted on as part of the Core Strategy Preferred Options and the responses to these were brought back in April this year. These representations, along with this new evidence base, will be used in the formulation of the policy.

### **Corporate Priorities**

35. The Affordable Housing Viability Study supports the following Corporate Priorities:
  - It will help to support York's successful economy
  - It will enable the City and its communities to grow and thrive
  - It will help to improve health and lifestyles of people who live in York, particularly the poorest by providing decent affordable homes in the City

## Implications

36. The following implications have been assessed:

**Financial** - The cost of preparing the Affordable Housing Viability Study will be met through current budgets provided for the LDF. The adoption of an interim policy, which has not been through a formal adoption process, could lead to possible cost claims

**Human Resources (HR)** – None

**Equalities** – None

**Legal** – Reducing thresholds and targets is in line with guidance set out in Planning Policy Statement 3 (Housing). Legal Services advise that targets can be adopted by the Council as interim policy for development control purposes. However, if adopted, it will not carry the weight of a policy that has progressed through the statutory process (although it can be demonstrated that it is backed by an evidence base) and may therefore result in appeals. Whilst the policy may carry little weight, it will have some status as a material consideration and will provide a clear policy basis for the local planning authority and for planning inspectors when considering appeals.

**Crime and Disorder** – None

**Information Technology (IT)** – None

**Property** – The results will affect the amount of affordable housing required on the development of any land and buildings in the Council's ownership.

**Other** - None

## Risk Management

37. In compliance with the Council's risk management strategy, there are no risks associated with the recommendations of this report.

## Recommendations

38. It is recommended that Members:
- Approve the Viability Study and its 25% brownfield and 35% greenfield affordable housing targets for development control purposes, as set out in Table 1 of this report, including a lowering of the targets by a further 3.5% if a 25% developer profit can be justified, or by negotiating a lower target through a site-specific viability appraisal.



- Reason: So that the Affordable Housing Study can be used as part of the Local Development Framework evidence base, avoiding delays to the Core Strategy production, and for Development Control purposes as a material consideration to assist in the delivery of affordable housing in York now.

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**Chief Officer Responsible for the report**

Richard Wood  
Assistant Director of City Strategy

**Report  
Approved**

**Date**

1<sup>st</sup> December 2010

**Specialist Implications Officer(s)**

There are no specialist officer implications.

**Wards Affected:**

All

For further information please contact the authors of the report.

**Background Papers:**

Annex 1 – Table 1 – Summary of key Issues raised at the Stakeholder Event and by the Property Forum and others, results of further research and re-modelling of the study, and CYC Officer recommendations.

Annex 2 – Local initiatives to kick-start housing construction in York.

## Annex 1 – AHVS assumptions, YPF/ Chamber comments and CYC comments and recommendations

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
<b>Land Value - greenfield</b>	£90,000 per acre	The approach adopted is unrealistic and not supported.	<p>Fordhams have re-run the study with a double cushion value (incentive for landowners to sell) of £160k in place of the £80k set out in the study. This gives an overall value of £170k which is 17 x agricultural land value. The HCA Viability Model recommends that Greenfield sites should be between 10 and 20 x agricultural land value.</p> <p>With the revised figure run through the model one of the greenfield sites assessed remains viable at 40% whilst the other two are viable at 30% and marginal at 40%.</p> <p><b>Officer recommendation – Lower greenfield target to 35%</b></p>
<b>Land Value - brownfield</b>	£205,000 per acre industrial	The approach adopted is unrealistic and not supported.	<p>Hunters letter supports 25% level – based on comments re Terry's</p> <p>Throughout discussions there has been acknowledgement that a 25% target for brownfield sites would be viable. Re-running of the model confirms this.</p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>The AHVS uses the typical industrial land value as contained in the VOA Property Market Report July 2009. However, in order to further explore viability, the model has been re-run with a doubling of the brownfield cushion (ie. from £40k to £80k). This brings total industrial land value to £245k which is considered to be reasonable.</p> <p>The HCA Viability Model advises that brownfield values are 10-30% above alternative use value (AUV). Doubling of the cushion value brings brownfield value to over 30%, which is considered to be a fair and generous incentive to sell.</p> <p><b>Officer recommendation – Maintain brownfield target at 25%</b></p>
<p><b>Build Costs</b> <b>(Tables 5.1 and 5.2 of AHVS)</b></p>	<ul style="list-style-type: none"> <li>• £89 psf</li> <li>• 2 sites were above £110 psf</li> </ul>	<p>Agree that BCIS is a robust form of assessing build costs</p>	<p>YPF&amp;Y/NYCC agree that BCIS are a robust form of assessing build costs.</p> <p>BCIS figures are a recognised national index. They take into account changing costs such as sustainable homes etc over the lifetime of the Core Strategy.</p> <p>It should be noted that experience</p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>reveals that the BCIS figures are generally on the high side and therefore will impact negatively on the provision of affordable housing.</p> <p><b>Officer Recommendation - No change to the Study</b></p>
<p><b>Development cost allowances (in addition to construction costs – roads, drainage, services, parking, footpaths, landscaping, etc)</b></p> <p><b>(Table 5.3 of AHVS)</b></p>	<ul style="list-style-type: none"> <li>• 12%</li> <li>• Varies between 9% and 13.5%</li> </ul>	<p>Cannot be generalised as it is site specific</p>	<p>Development cost allowances need to be built into the Study to allow the broad-brush targets to be formulated in accordance with PPS3. Forham’s have built in costs based on their knowledge, research and expertise.</p> <p><b>Officer Recommendation - No change to the Study</b></p>
<p><b>Additional development costs</b></p> <p><b>(Table 5.4 of AHVS)</b></p>	<p>Site specific</p>	<p>Unquantifiable, the whole point of abnormal costs is that they are just that. Agree site specific.</p>	<p>Additional development costs - abnormal costs (development costs which really cannot have been foreseen at site investigation and purchase and are site specific. They have been built into the Study to ensure the broad-brush targets reached are realistic and viable for delivering affordable housing.</p> <p>Applicants will be able to submit individual financial appraisals to demonstrate where costs cannot be identified and might therefore be</p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>seen as abnormal costs.</p> <p><b>Officer Recommendation - No change to the Study</b></p>
<b>Density</b>	40 – 45 dph	30 – 40 dph. This is a view held by agents, designers and developers alike.	<p>The study levels align with the SHLAA and the draft Core Strategy which sets minimum density levels of:</p> <p>City Centre 75dph Suburban 40 dph Rural 30dph</p> <p>Lowering density from 45 to 40 dph actually <i>increases</i> site viability as the overall floorspace (fewer houses but bigger) remains the same whilst site contributions (per dwelling) are reduced.</p> <p><b>Officer recommendation - No change to the study</b></p>
<b>Fees</b>	10% of build costs	Possible but highly likely to be an increased figure of up to 13%.	<p>A re-run of the model at 13% reduces the affordable target by 2.5%. However, many developers have not challenged the 13% figure, and 10% certainly conforms with fees identified as part of actual planning submissions.</p> <p><b>Officer recommendation -</b></p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<b>No convincing justification to change from 10%</b>
<b>Sales Rates</b> <b>(Table 5.6 of AHVS)</b>	<ul style="list-style-type: none"> <li>• Largest sites 200+ = 60pa</li> <li>• Medium sites 100-200 = 30 pa</li> <li>• Small sites up to 100 = 22 pa</li> <li>•</li> </ul>	Anecdotally sale completions are at the lowest for some considerable time.	<p>It is accepted that current market sales rates are low but this is a long-term study and the assumptions need to reflect this, so they remain relevant.</p> <p><b>Officer recommendation - No change to the study</b></p>
<b>Sale Rates / Values</b>	Fordham assumptions is £229/sqft	Sales figures from local agents submitted.	<p>Further analysis of sales figures submitted by local agents (to YPF) concludes that revenues should be between £218 and £225 psf.</p> <p>In the evidence submitted by Dacres they suggest a composite figure of £225 psf.</p> <p>The average sale values submitted by the YPF/ Chamber comes to £218 psf.</p> <p>Information received from Hunters relates to second hand sales and so must be discounted.</p> <p>The average sales set out in the Fordham study are £229 psf, but the benchmark site selected to re-run the model assumptions is £222 psf,</p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>which is in line with the agents figures submitted (between £218 and £225 psf).</p> <p><b>Officer Recommendation - No change to the study</b></p>
<p><b>Profit margin</b> <b>(Table 5.5 of AHVS)</b></p>	<p>17.5% - 20% (of costs)</p>	<p>It seems to be widely held opinion that a minimum of 25% profit on cost would be required to make a project viable.</p>	<p>Following further research the House Builders Federation appears not to publish a standard profit margin.</p> <p>A 20% profit is widely accepted as the norm by local authorities across North, West and South Yorkshire representing the Northern Affordable Housing Group.</p> <p>Correspondence with the Valuation Office Agency illustrates that they use c15% of the value of the scheme and states that this cross checks well with the methodology used on the HCA's Economic Appraisal tool, which uses 17.5% - 20%.</p> <p>The HCA Viability Model assumes 15-20% developer profit.</p> <p>Whilst in some cases banks may currently be asking for a higher profit level this study needs to ensure that it is not just considered in the short</p>



Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>term.</p> <p><b>Officer recommendation - Onus on developer to demonstrate why developer profit must be 25%, not 20%. If accepted, affordable level will be reduced by 3.5%</b></p>
<b>Interest Rate</b>	7.5%	Accepted as current, but would note that with arrangement fees and exit fees a figure of 10% reflects lending costs currently	<p>A 7.5% interest rate is accepted and, given the long-term nature of the study, changes to reflect the cost of current lending is not considered appropriate.</p> <p><b>Officer recommendation - No change to the Study</b></p>
<b>Contingency</b>	<ul style="list-style-type: none"> <li>• 2.5% sites 1, 3, 6 and 12</li> <li>• 5% all other sites</li> </ul>	Advise that 5% contingency is a minimum sum in the current market	<p>Accepted at 5% and no impact on viability.</p> <p><b>Officer recommendation – No change to study</b></p>
<b>Phasing and Timetable</b>	<ul style="list-style-type: none"> <li>• Pre-constructions period of 6 months (except Germany Beck 9 mths and Hungate, 12mths)</li> <li>• Unit built over 9 months (15 mths Hungate)</li> </ul>	<p>From receipt of a satisfactory notice of decision we estimate that for a modest sized site there is a minimum lead in period of 6 month.</p> <p>For larger sits like Hungate and Germany Beck we are unable to generalise but particularly in the</p>	<p>This has no impact on viability.</p> <p><b>Officer recommendation</b></p>

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
		instance of Germany Beck we feel the assumptions of 9,months is too short	
<b>Void (post completions of unit)</b>	3 months	A minimum of 6 months in current market but a lot of units are now built to order on the basis of pre sales	No impact on viability. <b>Officer recommendation – No change to study</b>
<b>Site Holding costs and receipts</b>	No allowance	Unrealistic to assume no site holding costs, particularly as schemes take longer to build out with reduced sale rates	No impact on viability <b>Officer recommendation – No change to study</b>
<b>Acquisition</b>	Stamp Duty 4% Agents and Sellers 1.5% of cost	Accepted	Accepted by YPF/Chamber <b>Officer recommendation</b> No change to the Study
<b>S106 Contributions</b>	£8k per dwelling	Figure needs to be York specific. Evidence required explaining how this has been derived.	A random sample of 25 sites taken from the Finance Team spreadsheet, which covers applications between 1st April 2005 and 31 March 2010 has been assessed. The table includes both S106 monies and monies received via decision notices (generally from smaller schemes).  <u>S106:</u> From the random sample of 25 schemes, comprising 1,993

Item	Fordham Assumption	YPF/Chamber Assumption	CYC Officer comments and recommendation
			<p>dwelling, a total of £8,220,472 was due under the S106 agreements. This equates to approx £4,125 per dwelling.</p> <p><u>Decision Notice:</u>  From the random sample of 25 schemes, comprising 98 dwellings, a total of £209,223 was due under decision notices, equating to approx £2,135 per dwelling.  Note: for monies raised from decision notices on single dwelling planning applications, there appears to be a wide variation for monies due (from £360 per dwelling to £7,776 per dwelling). This appears to be due to the variation in requirements for open space, which is strongly dependent on the location and type of open space for which a contribution is sought.</p> <p>This very clearly illustrates that the S106 contribution figure used in the study is in fact on the high side and could be reduced. However, it is considered that the 8k figure should remain to ensure longevity.</p> <p><b>Officer recommendation -</b>  No change to the study</p>

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## **Annex 2**

### **Local Initiatives to kick-start housing construction in York**

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Officers have worked with developers on a number of schemes to kick-start development. In many of these cases affordable housing has been the key driver of work either beginning or restarting on site. These are outlined below

#### Revival (former York College site)

Officers worked with both Taylor Wimpey and Shepherds to increase the proportion and revise the layout of the affordable housing. Due to the lack of mortgage availability and stagnation in the private sale market, the affordable housing was amended to follow the proposed build route through the development, without jeopardising the pepper-potting. This allowed a higher proportion of the affordable housing to be provided in earlier phases of the development which guaranteed sale upon completion of the homes to a Housing Association – thus providing certainty of sale to the developers, allowing development to progress. This is especially important to house-builders as sales tend to increase once market buyers can see that work on site has begun, at the same time as safeguarding jobs within the industry. The City Council has also benefited from receiving new affordable homes earlier and will now receive 27% (94 total) of the homes on site.

#### Birch Park

Through partnership with Yorkshire Housing and the Homes and Communities Agency we have been able to agree a deal to purchase an additional 32 homes which the developer has been unable to sell due to poor open market conditions. This has ensured that work could re-commence on this previously moth-balled site. The intermediate rental homes are in addition to the 25% affordable housing previously agreed within the development and include a mortgage deposit scheme, where Yorkshire Housing match what the tenant is able to save.

#### The Croft

Bellway Homes have been unable to sell a number of open market family houses at the site which had again led to the development being frozen. By working in partnership with the developers we were able to restructure the number of affordable homes in phase 2. This ensures the same financial contribution from the developer to affordable housing, but provides family housing in place of apartments. Although this reduced the overall numbers from 24 to 18, this increases the number of family houses which are the priority need. Crucially, this has allowed phase 2 to commence at a stage where the site was to be mothballed.

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## AFFORDABLE HOUSING VIABILITY STUDY

Report to Executive 14<sup>th</sup> December 2010

### Supplementary Note 9<sup>th</sup> December 2010

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#### Affordable House Completions 2005-10

The following table sets out all affordable house built during the last 5 years, as a result of agreements on private housing sites through section 106 agreements. It also identifies affordable homes built in addition to the planning requirement as a result of recent negotiations to kick-start stalled sites.

Year	Total Housing Completions	All Affordable Housing Completions	Total Housing Completions on Qualifying Sites*	Affordable Housing Completions on Private Developments	% Affordable Completions on Qualifying Sites
2005/06	906	148	458	108	23.6%
2006/07	798	56	333	56	16.8%
2007/08	523	51	176	21	11.9%
2008/09	451	151	163	54	33.1%
2009/10	507	138	192	45**	23.4%
Quarters 1 and 2 of 2010/11	264	142	174	111**	63.8%
<b>Total</b>	<b>3,449</b>	<b>686</b>	<b>1,496</b>	<b>395</b>	<b>26.4%</b>

\* For the avoidance of doubt, a qualifying site is a private developer led site, which triggers the affordable housing policy through the planning system. The current affordable housing policy is triggered at sites of 15 homes or 0.3ha in urban areas and 2 homes or 0.03ha in rural areas.

\*\* Includes 18 completions in 2009/10 and 31 completions in 2010/11 on private developments that are in addition to the negotiated affordable housing requirement. These have been secured through deals with private developers to buy surplus stock and kick-start developments that have stalled due to the poor market conditions. These have covered a range of tenures supported with low rates of Social Housing Grant. Negotiations are currently ongoing to purchase a further 50 homes on private developments across the city.

#### Affordable Consents 2010

The following table identifies the status of consented housing sites in York as at 30<sup>th</sup> November this year. It reveals that there is more construction activity on sites with affordable housing than those without – 577 out of a total of 1,059 (54%) homes under construction are affordable homes on allocated sites, against 216 out of 1,252 (17%) on sites not yet started. On unallocated sites 44% of homes under construction are affordable, and 18% affordable on sites which have not yet started. This analysis tends to suggest that the

certainty of affordable house funding is helping to keep some development sites going in the current economic downturn.

York Housing Consents, 30<sup>th</sup> November 2010

Type of Site	Total Capacity	Total Built	Total Net Remaining*	Total Affordable Housing Consented
Allocated Sites – Under Construction	1,375	316	1,059	577
Allocated Sites – Not yet started	1,252	0	1,252	216
<b>Allocated Sites - Total</b>	<b>2,627</b>	<b>316</b>	<b>2,311</b>	<b>793</b>
Unallocated Sites – Under Construction	449	45	335	148
Unallocated Sites – Not Yet Started	795	0	795	142
<b>Unallocated Sites - Total</b>	<b>1,244</b>	<b>45</b>	<b>1,084</b>	<b>290</b>

\* Total net remaining also takes account of demolitions and change of use/conversions

\*In accordance with the latest affordable housing policy sites only qualify for 50% affordable housing targets provided that: -

1. Sites are 0.3 ha or more in urban areas/15 or more dwellings
2. Sites are 0.03 ha or more in villages with less than 5,000 population/2 or more dwellings

Precedent

Officers have contacted the 22 local authority members of the Northern Affordable Housing Group in order to establish whether any other Local Authorities have implemented a reduced target to aid housing delivery and, if so, by how much and for how long.

Responses have been received from 8 Local Authorities (Selby, Barnsley, Wakefield, Craven, East Riding, Sheffield, Leeds and Kirklees).

None of the Authorities that responded are operating a reduced target. Targets being implemented are based on the results of Viability Studies. As with York's proposed approach all authorities have built in flexibility, allowing applicants to submit individual site viability appraisals to demonstrate if a target is not viable – this has been operating in York since the introduction of affordable housing policy in 1996, and remains current policy.

Fordham Research also confirms that, for the 36 local authorities they have undertaken viability studies for, none have included a developer profit of more than 25%. Some of the studies have included a developer profit of less than 20%, but most are at 20%.



Officers also monitor approaches to affordable housing through national planning journals and websites. No 'reduced target' approaches have been identified through this.

Fordham's consider that a 20% profit assumption remains defensible. Banks may require 25% plus profit in the project calculations they see, in order to approve funding. But it is expected that the developers should put in some of their own equity. The amount of the profit actually required will vary, as it always has done, from site to site depending on the risks and amount of equity put in by the developer. By putting in equity the developer is sharing some of the risk. That is why 20% is still a reasonable assumption for the overall project funding.

Fordham's would advise against any reduction in the policy target levels. That is because they were found to be deliverable, and although the market has softened slightly since September 2009, when they were done, it will not have affected the overall position by much. It has always been open to developers on particular sites to put forward specific viability calculations to show that a lower target should be permitted on their specific site. This facility should be emphasised to anyone arguing that the target is too onerous on their site.

Fordham's consider that the fundamental reason for which development is held back at present is not the affordable target but the availability of finance: people cannot get mortgages. In that sense it will not kick start the market to reduce the affordable target. What would kick start it is banks being willing to lend again.

#### Legal Implications

Availability of development finance and mortgage availability are seen as the key factors in the housing market downturn, as explained in the main report. If Members were to consider a further lowering of the targets to stimulate the market this would not address these fundamental restraining factors. The Homes and Communities Agency has offered 2 rounds of funding to developers from its Kick-start Housing Delivery Programme. No York developers have taken up this offer, which is aimed at unlocking stalled sites.

A lower, time-limited, target would need to link to the commencement of development and completion of houses within a specified period. The concept of commencement of development is much clearer in planning law than the notion of development completion. This inevitably raises issues of enforceability of such an approach. One time period is unlikely to be appropriate for all circumstances as larger schemes can take a number of years to build out.

To avoid the risk of judicial review/ High Court challenge any discount would also need to be offered to developers who have already got planning permission and this would lead to the re-negotiation of S106 agreements which could further slow development down and undermine agreed commitments.

Legal colleagues advise that the Council can change policies on a temporary basis but, to do so, there would need to be (a) national guidance encouraging local authorities to do so, and (b) a rational evidence base. In this case there is neither, and therefore a high risk of challenge.

The planning system is based on the granting of planning permission, which relates to the commencement of development within a specified time period. There is no legal basis to enforce somebody to build/ complete a development, nor within a specific time period. It is considered that this approach (a further lowering of the target for a period of time) is not enforceable through the planning system. There would, therefore, be no sound basis for the authority to enter into an agreement to achieve this.

A site viability appraisal remains a means to negotiate with developers in order to agree a lower affordable housing level on a particular site.

#### Justification for land values

The £90k set out in the study derives from a standard agricultural value (£10k) together with an incentive to sell the land for development purposes (referred to as the cushion value in the study, and given as £80k). The £170k derives from Officers doubling the £80k cushion value originally set out in the Fordham Study, together with the original £10k agricultural value. It represents a value 17x that of agricultural land value and is in the upper range of the 10-20 x agricultural value advised by the Homes Community Agency to be a reasonable assumption.

 <p>CITY OF <b>YORK</b> COUNCIL</p>			

<b>Executive</b>	<b>14<sup>th</sup> December 2010</b>
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## York's Local Investment Plan.

### Summary

1. This report summarises York's Local Investment Plan (attached at Annex 1) that forms the council's investment 'ask' to the Homes and Communities Agency (HCA) from 2011-2015. The Local Investment Plan (LIP) is an ambitious plan - asking for nearly £41.5m of HCA investment to deliver over 600 new affordable new homes (with public subsidy), bring over 5,000 homes in the private sector up to the decent homes standard and adapt over 600 homes to support independent living over the next four years.
2. The Local Investment Agreement falling out of the LIP is the vehicle, which will set out the funding available to York and the delivery programme over the 4-year period to meet both the geographic and thematic priorities of the LIP. The funding allocated to York and the subsequent delivery programme will be set within the context of the Comprehensive Spending Review. The LIP is not set in stone allowing flexibility to reflect changing circumstances. Should a scheme not happen or falls out of favour, it does not preclude other schemes coming on board as long as they meet the priorities and themes identified in the LIP and this can be demonstrated.
3. Members are asked to consider the priorities identified in the LIP, and to approve the Local Investment Plan for submission to the HCA.

### Background

4. The Local Investment Plan attached at Annex 1 has been developed in accordance with guidance published by the HCA and in accordance with that guidance has considered:
  - Geographic priorities for strategic growth sites
  - Targets for growth, affordability, renewal, rural housing.
  - Housing for specific groups such as older people, disabled people, BME communities, vulnerable groups and Gypsies and Travellers
  - Social, economic and environmental sustainability, including adapting to climate change
  - Land supply
  - Physical and social infrastructure

- Governance arrangements, roles and responsibilities and risks
5. The LIP's geographic and thematic priorities have been informed by a robust evidence base attached at Annex 2 including:
- An analysis of York's strengths and key challenges facing the city over the next 20 years.
  - Other strategies including York's Sustainable Community Strategy 2008-2025 and the emerging Core Strategy (part of the Local Development Framework). York's Housing Strategy and Older Person Housing Strategy.
  - York's Economic Vision which identifies key priorities including: maximising York's Universities and the cities science and technology assets, enhancing the quality of the city centre, bringing forward key development sites and associated infrastructure, fostering cultural and image enhancement, increasing innovation, enterprise and supporting growth.
  - The City's Retail Study to strengthen York's role as a sub regional shopping centre.
  - York's Local Transport Plan 2 and the emerging Local Transport Plan 3.
  - An established sub-regional policy framework including the: Leeds City Region Housing and Regeneration Strategy and Investment framework with one of its five themes covering accelerating strategic growth and North Yorkshire and York sub-regional Housing Strategy.
6. Drawing on the evidence base the LIP has the following strategic objectives, which underpin its geographic and thematic priorities and reflect the priorities identified in York's Sustainable Community Strategy, Local development Plan, the refreshed Housing Strategy, Older Person Housing Strategy and supports key themes contained within the North Yorkshire and York Sub Regional Housing Strategy. :
- Support economic growth and infrastructure development
  - Deliver new housing including maximising affordable homes
  - Make best use of existing stock
  - Support independent living and access to advice and services
  - Tackle and prevent homelessness, particularly young person's homelessness

### **Support Economic Growth and infrastructure development**

7. York has a strong economy, however there is higher reliance on public sector employment and the need to increase private sector growth particularly in the knowledge led economy, financial, professional and tourism service areas to rebalance the economy in response to the contracting public sector. Over the four year period 2011- 2015 the LIP's geographical priorities concentrate on York's main urban area which has a number of key commercial and housing development opportunities including the following five sites: York Central; British Sugar. ; Derwenthorpe; Terry's and Nestle South. (Members should note whilst York Central and British Sugar has been illustrated in the LIP the investment ask is not included within the document as this forms part of the Leeds City

Region Investment Plan.)

8. These developments will help mitigate the challenges York faces with population growth and assist in supporting York's competitive strengths to ensure continued economic success. These developments also support the continued success of higher education in the city, changes to the workforce to improve the skills to work in a diverse and modern economy, an increase in the provision of housing including affordable housing.

### **Deliver new housing, including maximising affordable homes**

9. Housing need and housing affordability in York are real issues. As previously identified in the geographic priorities a number of strategic economic sites incorporating housing growth have been identified. Whilst this will go some way in meeting the shortfall the city faces, more needs to be done. Therefore working with our partners we will pursue a number of smaller development sites focusing on increasing the provision of affordable family homes.
10. In addition the 2008 Sub-Regional Gypsy and Traveller Needs Assessment identified York, along with 6 out of the other 7 LA's in North Yorkshire, as being an area of undersupply with a need for an additional 19 pitches by 2015. Whilst no sites have been identified the council will explore options for addressing this need on a sub regional basis with our North Yorkshire partners and within the emerging Local Development Framework. The recently agreed Gypsy and Travellers Action Plan outlines how we will work with our partners over the next few years to continually improve sites and the health and well-being of Gypsy and Travellers households.
11. We are also looking to develop a number of smaller council owned sites over the next four years and believe the best opportunity of funding for these is through a shared "pot" of Social Housing Grant that can be used either for "additionality" on S106 schemes or in bringing certainty of funding to enable council owned sites to move forward. In both cases the funding would be subject to the same scrutiny from the HCA as now regarding value for money, strategic fit etc, but in an uncertain and challenging housing market flexibility of funding and the ability to respond quickly and with certainty to opportunities that arise is essential.

### **Make best use of existing stock**

12. Given the constraints we face, focusing solely on building new homes is not the answer. We need to ensure that existing homes are used to best effect and tackle under- occupation, which is a significant issue in York. We are keen to pursue downsizing initiatives building on our successful Tangle Trees Court downsizing scheme implemented in 2009. We also need to support owner-occupiers and landlords to tackle non-decency in the private sector.
- 13 Whilst stock condition in the private sector is relatively good almost 20% of stock does not meet the decent home standard. To encourage homeowners to address decency and maintain their homes and Landlords to invest in their

properties, the Council together with partners have embarked on a number of initiatives including introducing the Area Based Home Insulation Scheme, Hotspots and Home Appreciation Loans (HALS). In addition York offers both to home owners and landlords the Home Safety Loan and Decent Homes Loan. York is therefore pursuing funding avenues to ensure sufficient resources are secured to continue with these programmes.

- 14 The Government has signaled its commitment to review the Housing Revenue Account subsidy system. Following the outcomes of this review it is the council's intention to undertake a full stock options appraisal of its existing housing stock and develop an Asset Management Strategy to ensure best use is made of its housing stock and HRA land.

### **Support independent living and access to advice and services**

- 15 One of the highest levels of household growth is amongst older households. York's Older Person Housing Needs Assessment 2009 revealed the majority of older people wish to remain in their own home, however most of the existing stock does not meet the needs of older people with much of it requiring some form of adaptation to ensure the occupier can remain safe and independent signalling a need for more stay at home services.
- 16 A key priority is to enable people to repair and adapt their home and the provision of low level intervention to support continued independence. We are also keen to support families with disabled children to ensure their accommodation meets their needs and to develop housing options to meet the accommodation needs of people with learning disabilities through initiatives such as HOLD and supported living schemes. This group of vulnerable people are under represented in tenures such as private renting and home ownership.
- 17 We also want to strengthen access to advice and services. Historically housing advice and information services has been used mainly by those facing a housing crisis. Often there are underlying issues that are the root of a persons housing needs be it worklessness, money or health problems. Recently the council's housing advice and information service has transformed into a 'Housing Options' service. This service seeks to broaden the range of people seeking housing advice but also assess wider needs and help make the links with other agencies to offer related advice and support. A key priority in terms of improving access to advice and services is to further develop our Housing Options service so that it appeals to a wider range of customers and acts as an effective gateway into a wider range of advice and information. York also suffers from pockets of deprivation in order to tackle worklessness and/or financial exclusion a priority is to develop a comprehensive financial inclusion action plan showing priority areas and intended actions.

### **Tackle and prevent homelessness, particularly young person's homelessness**

- 18 Although the council has been very successful in reducing the number of households in temporary accommodation there remains a need for specific temporary housing linked to support services for young people. Working with

Yorkshire Housing Association, the council are keen to develop a Young Person Foyer Project. Whilst our application for HCA funding has been unsuccessful this remains a key priority.

### HCA Investment 'ask'

- 19 In order for York to fulfil its ambitions the investment ask from the HCA is in the region of £41,435,000 to deliver, 609 affordable new homes, 5,349 properties in the private sector reaching the decency standard and 625 properties being specifically adapted to support independent living. Table 1 overleaf outlines development proposals.

**Table 1 Development Proposals**

<b>Scheme</b>	<b>HCA Investment ask</b>	<b>Housing Output</b>	<b>Lead Organisation</b>	<b>Land owner</b>
Lilbourne Drive (committed through mini bid round)	£560,000	19 affordable homes	CYC	CYC
Turf Tavern (committed through mini bid round)	£200,000	8 affordable homes	Private	Private
Discus (HCA committed)	£1,434,000	75 affordable homes	York Housing Association / Fabric Housing Group	CYC
Derwenthorpe	£8,960,000	216 affordable homes	Joseph Rowntree Housing Trust	Private
Ordnance Lane	£2,470,000	38 affordable homes	Yorkshire Housing Association	CYC
Water Lane Former YWCA site	£1,740,000	29 affordable homes	None appointed	Private
Seventh Avenue supported living scheme	£144,000	4 affordable homes	York Housing Association	CYC
Strensall rural exception site	£1,080,000	18 affordable homes	Yorkshire Housing Association	Private
Section 106 additionality	£10,380,000	173 affordable homes	CYC	Sites to be identified

Home ownership for long term disability	£420,000	7 affordable homes	None appointed	No provision identified
Learning Disability – Transitions. High needs shared housing each for four tenants/plus sleep over	£900,000	3 affordable homes	None appointed	No provision identified
Gypsy and traveller pitches	£1,140,000	19 affordable homes	None appointed	No sites identified
<b>Total affordable homes</b>		<b>609</b>		
Making best use of existing stock /improved decency	£7,227,000	5349 properties		
Adaptations	£4,780,000	625 properties		
<b>Total Investment ask</b>	<b>£41,435,000</b>			

### Consultation

- 20 No specific consultation has been undertaken to draw together the priorities for the Local Investment Plan, instead the extensive consultation undertaken to develop York's Local Development Plan, Housing Strategy, Older Person Housing Strategy and the North Yorkshire and York Sub-regional Housing Strategy has been utilised.

### Governance and Monitoring

21. The LIP has been developed by a project team comprising officers from Communities & Neighbourhoods, City Strategy and Adults Children's & Education.
22. The Assistant Director for Housing & Public Protections will have responsibility for overall monitoring and review of the LIP including project management of the thematic developments.
23. The Assistant Director City Development and Transport will have responsibility for project management of the geographic developments.
24. The LIP project team will undertake regular monitoring and review providing regular updates to Housing & Public Protections Management Team. Annual progress reports will be presented to the council's Executive.



25. We are also exploring what role the developing Local Enterprise Partnerships might play in the monitoring and review of the LIP.

### **Options**

#### **Option 1**

26. To approve the Local Investment Plan.

#### **Option 2**

27. To approve the Local Investment Plan subject to amendments made by the Executive.

#### **Option 3**

28. Not to approve the Local Investment Plan.

### **Implications**

#### ***Financial / Human resources (HR) / Equalities / Legal / Crime and Disorder Information Technology (IT) / Other***

29. There are no implications arising directly from this report.

### **Risk Management**

30. There are no direct risks associated with the content of this report.

### **Recommendations**

31. That the Executive:

- Notes the content of the LIP
- Makes amendments to the LIP priorities
- Agrees option 1 as set out in Para 26, to approve the Local Investment Plan for submission to the HCA

Reason: So that the Local Investment Plan can be submitted to the HCA for consideration which will inform York's Local Investment Agreement.

**Contact Details**

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**Chief Officer Responsible for the report:**

Steve Waddington  
Assistant Director – Housing & Public Protection

**Report Approved**



**Date** 30<sup>th</sup> November 2010

**Wards Affected:**

**All**



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

**Annexes:**

1: York's Local Investment Plan 2011-2015

# **York: a city making history**

## **Local Investment Plan (Incorporating Evidence Base) 2010**

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## Foreword



As Leader for City of York Council and Executive Member with portfolio responsibility for Economic Development, Community Safety, Strategic Housing and Regional Matters I am delighted to endorse York's Local Investment Plan (LIP).

The LIP commentary tells City of York's story of place and sets out the longer-term high-level ambitions for York over a 15-year period (the remaining life of the Sustainable Community Strategy) and supports the city wide collective ambitions to make York

A Sustainable City  
A Thriving City  
A Learning City  
A City of Culture  
A Safer City  
A Healthy City  
An Inclusive City

It builds the business case for future investment to deliver against geographic and thematic regeneration and housing investment priorities covering a four-year period (2011-2015), to ensure the city remains economically vibrant, offering a high quality of life to its residents whilst addressing issues of economic growth, housing affordability and access, together with the outputs and outcomes that will be delivered.

This LIP provides a robust foundation for our continuing discussions with the HCA as we move on to discuss and agree the Local Investment Agreement (LIA). We will do this in light of the publication of the Comprehensive Spending Review (CSR) and confirmation of the nature of future HCA funding streams and the funds allocated to York.

**Insert Councillor Waller's signature**

## Section 1: Introduction

### Structure of Document

The Local Investment Planning process is ongoing engagement between City of York Council, the Home and Communities Agency (HCA) and other stakeholders. Drawing on the evidence base, the council's key ambitions are quantified in the Local Investment Plan (LIP) and consequential investment priorities and outputs are then carried through to the Local Investment Agreement (LIA) for the years 2011– 2015.

### Evidence Base and Local Investment Plan

To achieve a sophisticated and interactive qualitative process that defines geographical and thematic priorities, the evidence base identifying York's many strengths and challenges is integrated within this document. Statistical information supporting the investment priorities (Evidence Base Statistical Information - EBSI) is attached at Annex 1.

The LIP priorities have also been informed by other strategies including York's Sustainable Community Strategy 2008-2025 and the emerging Core Strategy (part of the Local Development Framework). These documents have been developed following extensive consultation with partners, stakeholders and the local community. This consultation and the consultation undertaken to inform other strategies in relation to housing, the economy, education and transport have also been drawn upon to inform the geographical and thematic priorities set out in this document.

An established sub-regional policy framework also underpins the LIP including the Leeds City Region Housing and Regeneration Strategy and Investment framework, with one of its five themes covering accelerating strategic growth.

The LIP has also taken account of the York Economic Vision which identifies key priorities including maximising York's Universities and the city's science and technology assets, enhancing the quality of the city centre, bringing forward key development sites and associated infrastructure, fostering cultural and image enhancement, increasing innovation, enterprise and supporting growth. The LIP also takes into consideration the city's Retail Study to strengthen York's role as a sub-regional shopping centre. York's Local Transport Plan 2 and the emerging Local Transport Plan 3 are also considered to show how transport can contribute to delivering the economic, social and environmental aspirations of the city.

The LIP commentary tells City of York's story of place and sets out the longer-term high-level ambitions for York over a fifteen year period (the remaining life of the Sustainable Community Strategy). It builds the business case for future investment to deliver against geographic and thematic regeneration and housing investment priorities, covering a four year period (2011-2015), to ensure the city remains economically vibrant, offering a high quality of life to its residents whilst addressing issues of economic growth, housing affordability and access, together with the outputs and outcomes that will be delivered.

## The LIP's Strategic Objectives

Drawing on the evidence base, the LIP has the following strategic objectives which underpin the Geographic and Thematic priorities identified:

- 1 Support economic growth and infrastructure development.
- 2 Deliver new housing, including maximising affordable homes.
- 3 Make best use of existing stock.
- 4 Support independent living and access to advice and services.
- 5 Tackle and prevent homelessness, particularly young persons' homelessness.

## Geographic Priorities

### 1. Support economic growth and infrastructure development

York has a strong economy, however there is higher reliance on public sector employment and the need to increase private sector growth, particularly in the knowledge-led economy, financial, professional and tourism service areas, to rebalance the economy in response to the contracting public sector. Over the four year period 2011- 2015, the LIP's geographical priorities concentrate on York's main urban area (**see key diagram Figure 1**) which has a number of key commercial and housing development opportunities including the following five sites:

York Central; British Sugar ; Derwenthorpe; Terrys and Nestle South.

These developments will help mitigate the challenges York faces with population growth and assist in supporting York's competitive strengths to ensure continued economic success. These developments also support the continued success of higher education in the city, changes to the workforce to improve the skills to work in a diverse and modern economy, an increase in the provision of housing (especially affordable housing) and improvements to the quality of the city's transport infrastructure to improve connectivity and tackle congestion within the city.

## Thematic Priorities

The LIP's thematic priorities over the four year period focus on socio-economic issues such as affordable housing and meeting the needs of vulnerable groups. The thematic priorities support the LIP's strategic objectives and reflect the priorities arising from York's refreshed Housing Strategy, which support key themes contained within the North Yorkshire and York Sub-Regional Housing Strategy.

### 2. Deliver new housing, including maximising affordable homes

York has a significant need for more housing. Challenges include

- The need for affordable homes.
- Providing a variety of household sizes, particularly for families and the elderly.
- The demand for additional pitches to meet the needs of the Gypsy and Traveller community.

Housing need and housing affordability in York are real issues. As previously identified in our geographic priorities, a number of strategic economic sites incorporating housing growth have been identified. Whilst this will go some way to meet the shortfall the city faces, more needs to be done. Therefore, working with our partners we will pursue a number of smaller

development sites focusing on increasing the provision of affordable family homes . In addition the 2007 Sub-Regional Gypsy and Traveller Needs Assessment identified York as being an area of undersupply with a need for an additional 19 pitches by 2015. The council will explore options for addressing this need within the emerging Local Development Framework and with our North Yorkshire partners. The recently agreed Gypsy and Traveller Action Plan outlines how we will work with our partners over the next few years to continually improve sites and the health and well-being of Gypsy and Traveller households.

We are also looking to develop a number of smaller council-owned sites over the next four years and believe the best opportunity of funding for these is through a shared 'pot' of SHG that can be used either for 'additionality' on S106 schemes or in bringing certainty of funding to enable council-owned sites to move forward. In both cases the funding would be subject to the same scrutiny from the HCA as now regarding value for money, strategic fit etc but, in an uncertain and challenging housing market, flexibility of funding and the ability to respond quickly and with certainty to opportunities that arise is essential.

### **3. Make best use of existing stock**

Given the constraints we face, focusing solely on building new homes is not the answer. We need to ensure that existing homes are used to best effect and tackle under-occupation which is a significant issue in York. We are keen to pursue downsizing initiatives, building on our successful Tangle Trees Court downsizing scheme implemented in 2009. We also need to support owner-occupiers and landlords to tackle non-decency in the private sector.

Whilst stock condition in the private sector is relatively good, almost 20% of private sector stock does not meet the decent home standard. To encourage homeowners to address decency and maintain their homes and encourage landlords to invest in their properties, the council, together with partners, has embarked on a number of initiatives including introducing the Area Based Home Insulation Scheme, Hotspots and Home Appreciation Loans (HALS). In addition York offers, both to home owners and landlords, the Home Safety Loan and Decent Homes Loan. York is therefore pursuing funding avenues to ensure sufficient resources are secured to continue with these programmes.

The Government has signalled its commitment to review the Housing Revenue Account subsidy system. Following the outcomes of this review, it is the council's intention to undertake a full stock options appraisal of its existing housing stock and develop an Asset Management Strategy to ensure best use is made of its housing stock and HRA land.

### **4. Support independent living and access to advice and services**

One of the highest levels of household growth is amongst older households. York's Older Persons' Housing Needs Assessment 2009 revealed the majority of older people wish to remain in their own home. However, most of the existing stock does not meet the needs of older people, with much of it requiring some form of adaptation to ensure the occupier can remain safe and independent, signalling a need for more stay-at-home services. A key priority is to enable people to repair and adapt their homes and the provision of low-level intervention to support continued independence. We are also keen to support families with disabled children to ensure their accommodation meets their needs and to develop housing options to meet the accommodation needs of people with learning disabilities through initiatives such as HOLD and supported living schemes. This group of vulnerable people are under-represented in tenures such as private renting and home ownership.



We want to strengthen access to advice and services. Historically housing advice and information services have been used mainly by those facing a housing crisis. Often there are underlying issues that are at the root of a person's housing needs, be it worklessness, money or health problems. Recently the council's housing advice and information service has transformed into a Housing Options service. This service seeks to broaden the range of people seeking housing advice but also to assess wider needs and help make the links with other agencies to offer related advice and support. A key priority in terms of improving access to advice and services is to further develop our housing options service so that it appeals to a wider range of customers and acts as an effective gateway into a wider range of advice and information. York also suffers from pockets of deprivation. In order to tackle worklessness and/or financial exclusion, a priority is to develop a comprehensive financial inclusion action plan showing priority areas and intended actions.

#### **5. Tackle and prevent homelessness, particularly young persons' homelessness**

Although the council has been very successful in reducing the number of households in temporary accommodation, there remains a need for specific temporary housing linked to support services for young people. Working with Yorkshire Housing Association, the council is keen to develop a young persons' foyer project. Whilst our application for HCA funding has been unsuccessful, this remains a key priority.

#### **Outputs and Outcomes**

Both the geographic and thematic LIP priorities outline the outputs and outcomes expected in their delivery as well as quantifying the committed and uncommitted public and private investment.

### **Local Investment Agreement**

In considering this document, the HCA will agree the Local Investment Agreement which will set out the funding and resources that the HCA will invest in York over time, in particular over the period 2011-2015, and agree with York the outputs and outcomes expected.

Figure 1: Key Diagram – Core Strategy Preferred Options (Summer 2009)



- York - Sub-Regional City (main urban area)  
Defined by RSS and relates to the main urban area of York as the focus of employment, housing, shopping, health, leisure, business and public service
- Local Service Centres  
The most sustainable settlements after York itself, ensuring good access to services, employment and public transport
- Villages
- Small Villages
- General extent of the proposed Green Belt

- 1 **York Northwest**
- 2 **Castle Piccadilly (pp)\***
- 3 **Heslington East (pp)**
- 4 **Hungate (phase 1 pp)**
- 5 **Nestle South**
- 6 **Germany Beck (pp)**
- 7 **Derwenthorpe (pp)**
- 8 **Terry's**
- 9 **Layerthorpe area**

\*pp: planning permission granted

- Existing local plan allocation at Northminster Business Park
- York North West Area Action Plan
- City Centre Area Action Plan

- Existing/proposed new or relocated Park and Ride site\*  
\*exact locations to be determined
- Tram-train
- Main rail network
- Main road network

## Section 2: A Profile of York

The City of York is a vibrant, cosmopolitan city with an international brand and reputation. It has been the centre of government, religion, education, commerce, entertainment and transport for 2000 years. The city offers a superb quality of life to residents, welcomes over seven million visitors a year and has a thriving economy.

### ***York's City Centre***

York's city centre is instantly and internationally recognisable. As well as being the historical and cultural hub, it is the economic and social heart of York, fundamental to the success of the city. As the focus for retail, leisure, offices, culture and tourism activity, the city centre is key to achieving a strengthened role for York as a sub-regional city.

York city centre is an attractive and vibrant retail destination with a good range of major mainstream multiple retailers, as well as numerous special-interest, independent local shops that contribute greatly to the distinctive character of the area. York also has a number of out-of-centre retail destinations which perform a sub-regional role. York provides a wide variety of leisure facilities throughout the city including theatres, museums, music venues and cinemas.

### ***York's Historical Heritage***

The city also has an outstanding historical heritage containing masterpieces of human creative genius including York Minister. Its historical distinctiveness is recognised by the city's status as one of only five historical centres in England designated as an Area of Archaeological Importance. York is proud of its National Railway Museum which is the busiest national museum outside London.

### ***Greenbelt and Brown field sites***

York has a unique green infrastructure. This includes the green wedges that extend from the open countryside into the heart of the main urban area. These wedges comprise the historic 'strays' and surrounding land and the Ouse 'Ings'. York's green infrastructure also includes eight Sites of Special Scientific Interest (SSSI), two of which (Strensall Common and Derwent Ings) are of international importance, along with locally important sites for nature conservation and recreational open space.

Within the city there are a range of significant brownfield development sites made possible by the shrinkage in traditional industries such as the railway carriage works. Many of these sites have been identified for strategic growth, York Central, Terry's and Nestle South. The 'York Central' site alone is equivalent in size to two-thirds of the walled city centre, making it the largest and most significant development opportunity there is likely to be in York in the foreseeable future.

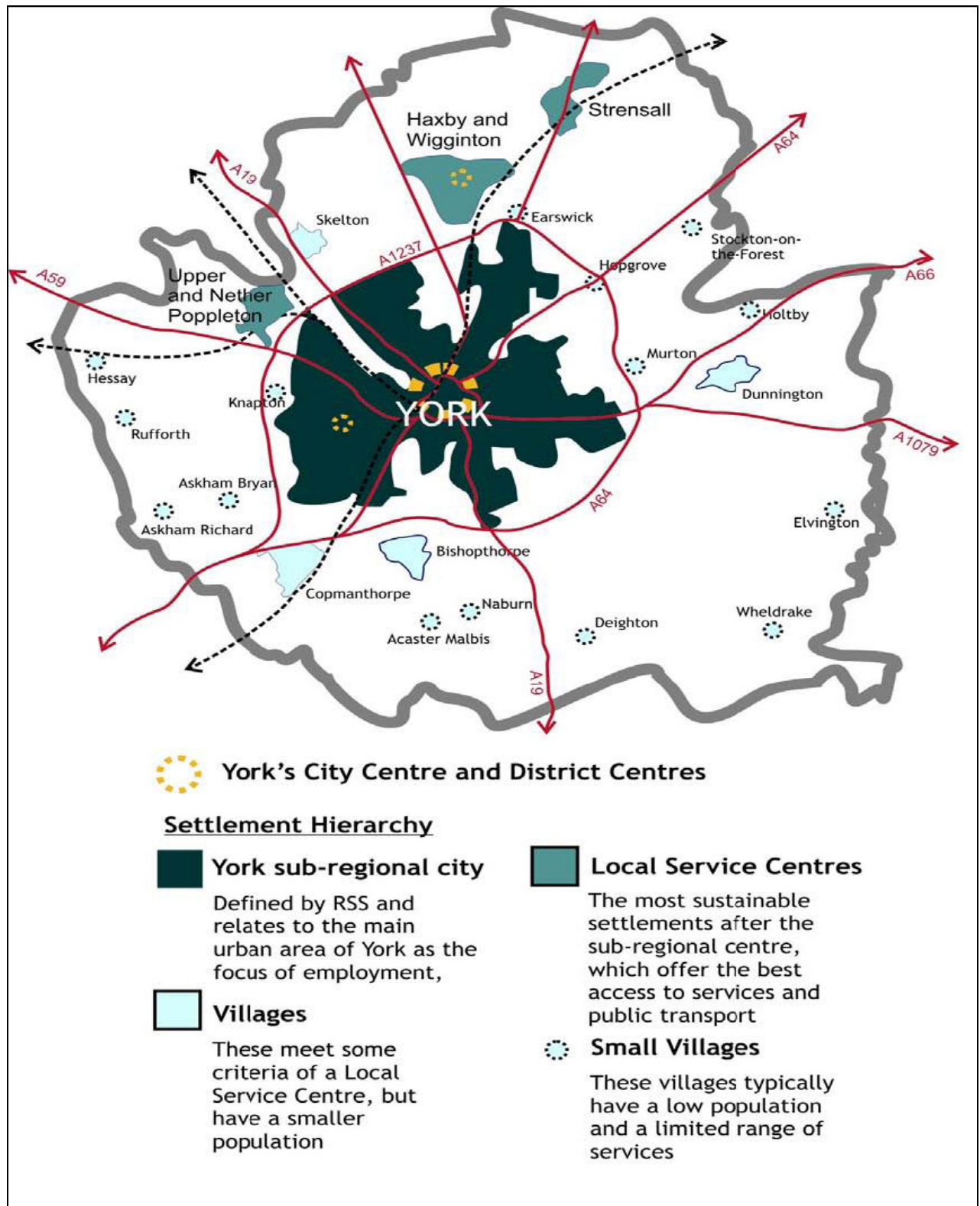
### ***A University City***

York has two successful universities, St John's University and the University of York, which is in the world's top 100. Both universities are significant contributors to York's local economy.

**Location**

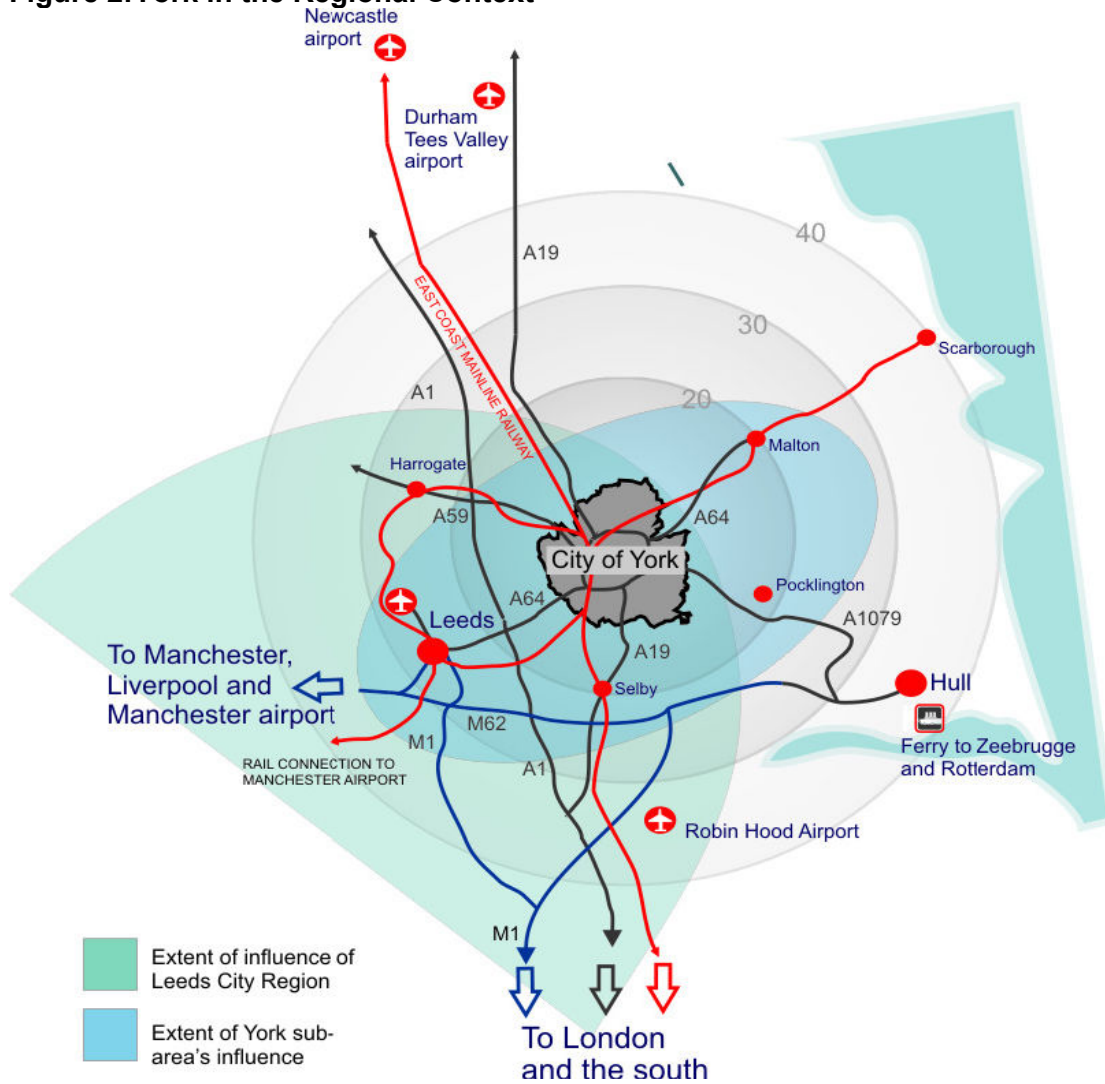
York is made up of the urban centre, surrounded by a number of outlying rural villages, each of which differs in terms of its size and role in relation to York. The River Ouse has been a prominent feature of York throughout its history.

**Figure 1: Settlement Hierarchy**



The local authority area covers approximately 105 square miles (272 square kilometers). York is well connected. Its proximity to other towns and cities in the region along with its transport links to the region and the wider UK makes it one of the best connected cities nationally. York's connectivity is highlighted in Figure 2.

**Figure 2: York in the Regional Context**



**Context within the sub-region**

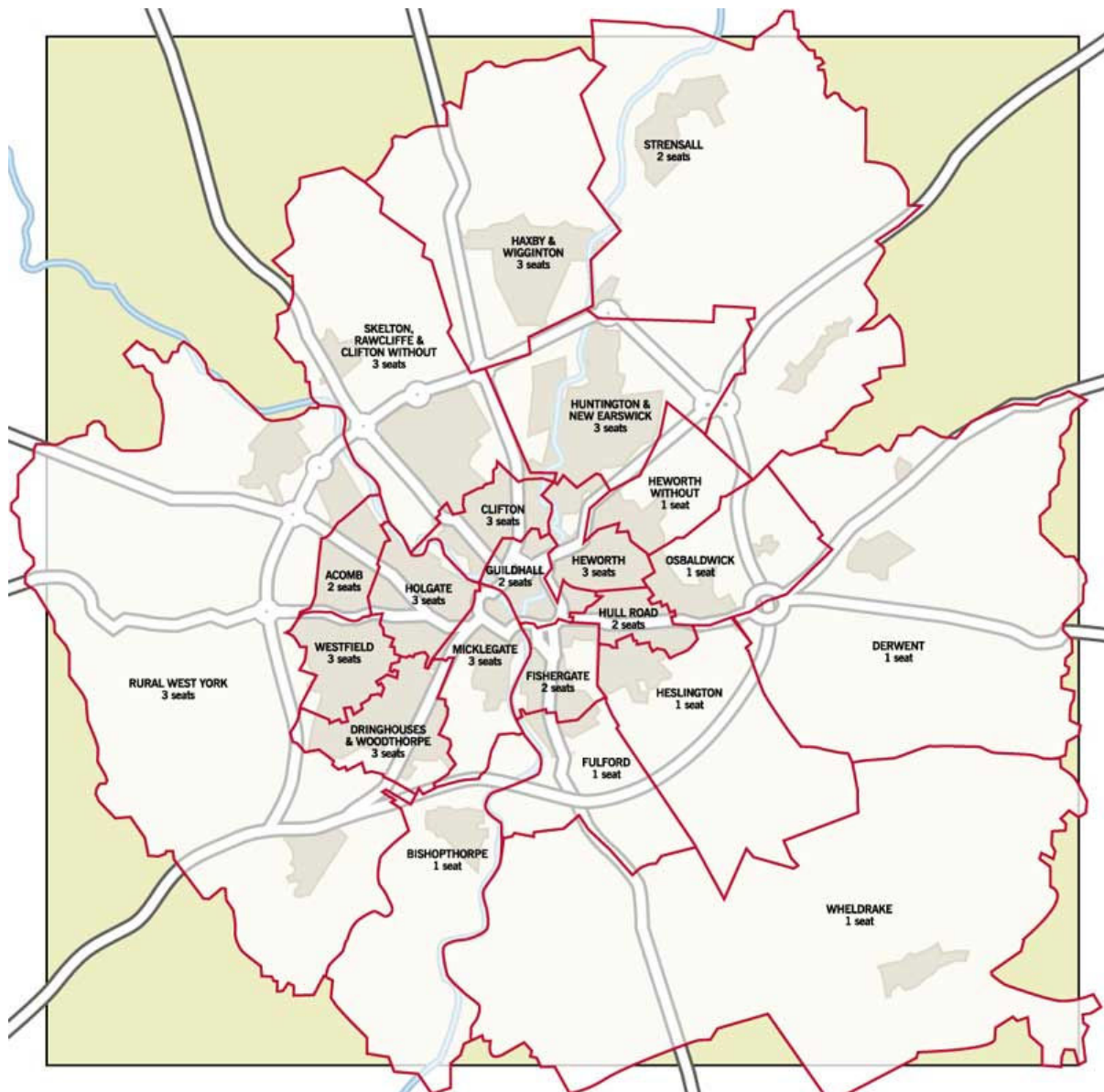
York is at the centre of a wider 'York sub area' of which its urban area forms the main retail, employment and cultural centre. York is identified as an important part of the Leeds City Region in which it is one of eleven partner authorities.

### ***Democracy and Structure of the Council***

York has 22 wards (see Figure 3). There are 47 councillors, the majority of whom are Liberal Democrats, however no overall party has control. The council has a Leader and Executive model of governance reinforced by a scrutiny function. The Executive Leader holds the housing brief for strategic housing and the Member for Communities and Neighbourhood Services holds the brief for housing operations. Five directorates deliver council services:

- Chief Executive
- Communities and Neighbourhoods (including housing)
- City Strategy
- Customer and Business Support
- Adults, Children and Education

**Figure 3: Ward Boundaries**



## ***A Sense of Place***

The One Place report in 2009 reported that York is a safe place to live.

- Overall levels of crime have fallen consistently in recent years and are below regional and national averages. In York, 79.4% of residents who responded to the survey agreed that their local area is a place where people from different backgrounds get on well together (NI1). This is higher than the English average of 77.18%. Agreement was strong amongst older respondents.
- When asked whether they felt they belonged to their immediate neighbourhood (NI2) 55.1% of respondents agreed, although only 21% of BME residents felt they belonged to their immediate neighbourhood. City of York Council commissioned research to find out why there was a lower level of satisfaction amongst BME residents. The research revealed that there were a number of factors that seemed to influence the sense of belonging more than others e.g. length of residence, and religious belief.

To understand better the housing needs of York's BME communities, a Black and Minority Ethnic and Migrant Worker Housing Needs Assessment 2009 was commissioned. The study found there were no additional housing needs over and above the population as a whole. However, there was a need to improve access to advice, information and support about services in general, including housing services. A key action in York's Housing Strategy 2011-2015 is to improve access to housing and housing services, including appropriate information, advice and support.

## ***Population Profile and Projections***

York's population is experiencing substantial growth. The latest population projections predict that York will grow by 30% (54,000) from 194,900<sup>1</sup> to 249,500 by 2031.<sup>2</sup> However, this is likely to be tempered by lower economic growth due to the recession and will also depend on the number of new homes that the city provides. A housing target of 850 new homes per year was set by the Regional Spatial Strategy, which has now been abolished. This figure represented a policy of relative restraint compared to household projections of over 1200 new households per year. A recent report by Arup to support the LDF Core Strategy concluded that the 2006 household projections were based on trends associated with boom conditions and they may overstate requirements. They concluded that the 2003 household projections were more representative of an economic cycle and are therefore likely to be more soundly based (780 - 800 a year). Clearly, if our new house building is below the latest household projections, this will temper the levels of population growth predicted.

Population data shows that the highest represented age cohort is for 20-24 year olds (10.2%), followed by 25-29 year olds (8%) which may be explained through the presence of two universities and other higher education establishments<sup>3</sup>.

By 2031 the number of persons aged 60 years old will have increased by 40.2%.<sup>4</sup> Whilst the significant increase in persons over 60 in York is not as high as in neighbouring authorities, it will still pose a significant challenge in meeting the housing needs and provision of services of this client group. In terms of the over 80s, this group is expected to rise by 78% from 9,900 to 17,700. This is higher than the projected over 80 age group for Yorkshire and

<sup>1</sup> EBSI: Table 1 ONS mid-term population estimates 2009

<sup>2</sup> EBSI: Table 3 2006 Sub-National Population Projections in Age Groups (in thousands)

<sup>3</sup> EBSI: Table 2 ONS May 2010 mid-term population estimates

<sup>4</sup> EBSI: Figure 1 Projected growth in persons over 60

Humber at 73% but lower than the expected increase in this age group for England which is predicted to grow by 86%<sup>5</sup>.

In York the rate of natural change has been around 400 people per annum. This rate is set to increase in the future as deaths are predicted to remain fairly constant whilst it is anticipated that the number of births will increase.

York also has a high percentage of students, estimated to be in the region of 30,000, and this number is expected to increase by over 5,000 by 2015 following plans to expand the University of York. The expansion of the university is expected to increase the 15 to 29 age group. The working age population (15-69) is expected to rise by 20% (29,000) from 147,000(2009) to 176,100 (2031).<sup>6</sup>

The projected population and ageing population will have a significant impact on planning future housing provision and services.

### ***Black and Minority Ethnic Population***

York is an increasingly diverse city.

- The BME community comprises 9.12% of the population, having nearly doubled since 2001.<sup>7</sup> The largest minority populations have changed from Asian to Eastern European populations.<sup>8</sup> This is explained by the accession of Eastern European states into Europe, allowing free movement across borders as well as the expansion of the universities and increasing student numbers.
- Migration has become an increasingly important component of demographic change over the last decade.<sup>9</sup> However, as the years continue it is expected that the migration figure will decline.
- It is estimated that there are approximately 1,154 Gypsy and Travellers living in York comprising 364 households.<sup>10</sup>

### ***Deprivation***

Overall, York's level of deprivation is decreasing. The index of multiple deprivation 2004 ranked York at 219 out of 352 authorities. This ranking has improved to 242 in 2007. York has 18 super output areas (SOAs) that fall within the best 10% nationally.<sup>11</sup> The index of multiple deprivation combines a number of indicators across seven domains (covering income, employment, health deprivation and disability, education, skills and training, crime, living environment and barriers to housing and services) to assess different social, economic and housing issues into a single score to be able to compare levels of deprivation across different authorities. Rank 1 represents the most deprived. The deprivation scores show that improvements have been made to all categories except the barriers to the housing domain when comparing 2004 to 2007 data. This may be explained by the widening gap between wages and house prices within York,<sup>12</sup> although some aspects of people being able to access services, GPs and post offices had declined.

<sup>5</sup> EBSI: Table 3 2006 Sub-National Population Projections in Age Groups (in thousands)

<sup>6</sup> EBSI: Table 4 2006 Sub-National Population Projections in Age Groups (in thousands)

<sup>7</sup> EBSI: Figures 2 and 3 2001 Census, 2006 ONS experimental statistics and CYC Equalities Team

<sup>8</sup> EBSI: Table 5 Ethnicity in York ONS mid-year experimental statistics)

<sup>9</sup> EBSI : Table 3 Summary of Population Projections ONS 2009

<sup>10</sup> EBSI: Table 6: Gypsy and Traveller Population Source Gypsy and Traveller accommodation needs assessment 2007/8 based on CLG data 2007

<sup>11</sup> EBSI: Table 8: Index of Multiple Deprivation 2007 York's least deprived areas

<sup>12</sup> EBSI: Table 9:Categories of deprivation: Index of Multiple Deprivation 2007



However, York still has 8 SOAs that fall within the most deprived 20% of SOAs in England. These are found in 5 wards: Westfield (3), Clifton (2), Hull Road (1), Guildhall (1) and Heworth (1). One SOA remains particularly disadvantaged with Kingsway West (Westfield) falling within the 10% most deprived areas in England.<sup>13</sup> General characteristics of these SOAs include:

- Low levels of skills and qualifications
- High levels of worklessness – almost half (48.6%) of total claimant benefits live in these areas
- One third of people are income-deprived
- 1 in 5 women aged 18-59 and men aged 18-64 are employment deprived
- Under half of the children in SOAs live in families that are income-deprived

These figures reveal one of the major challenges facing City of York Council. Not only does the city need to address challenges that seek to improve the prospects of those living in deprived neighbourhoods, but the relative prosperity of the rest of the city has manifested itself in high house prices, giving rise to a need for more affordable housing in order to provide mobility to those on modest or even middle incomes.

Concentrated work has taken place in Kingsway West which is an area falling within the 10% most deprived wards (Westfield) in England to try and improve the level of deprivation experienced by people living in this area.

#### **Kingsway West (Westfield Ward) Case study**

The Kingsway Project was a small multi-agency action learning project aimed at improving the Index of Multiple Deprivation score in Kingsway West, a small area of York in the Westfield Ward within the worst 10% of deprived areas nationally. The council established a working group including local residents to develop and oversee actions in the area. A number of key actions targeted at increasing income and employment opportunities were implemented. The project has already achieved some good outcomes in terms of initiatives started, numbers into training, numbers into work, amount of increased benefit take up etc.

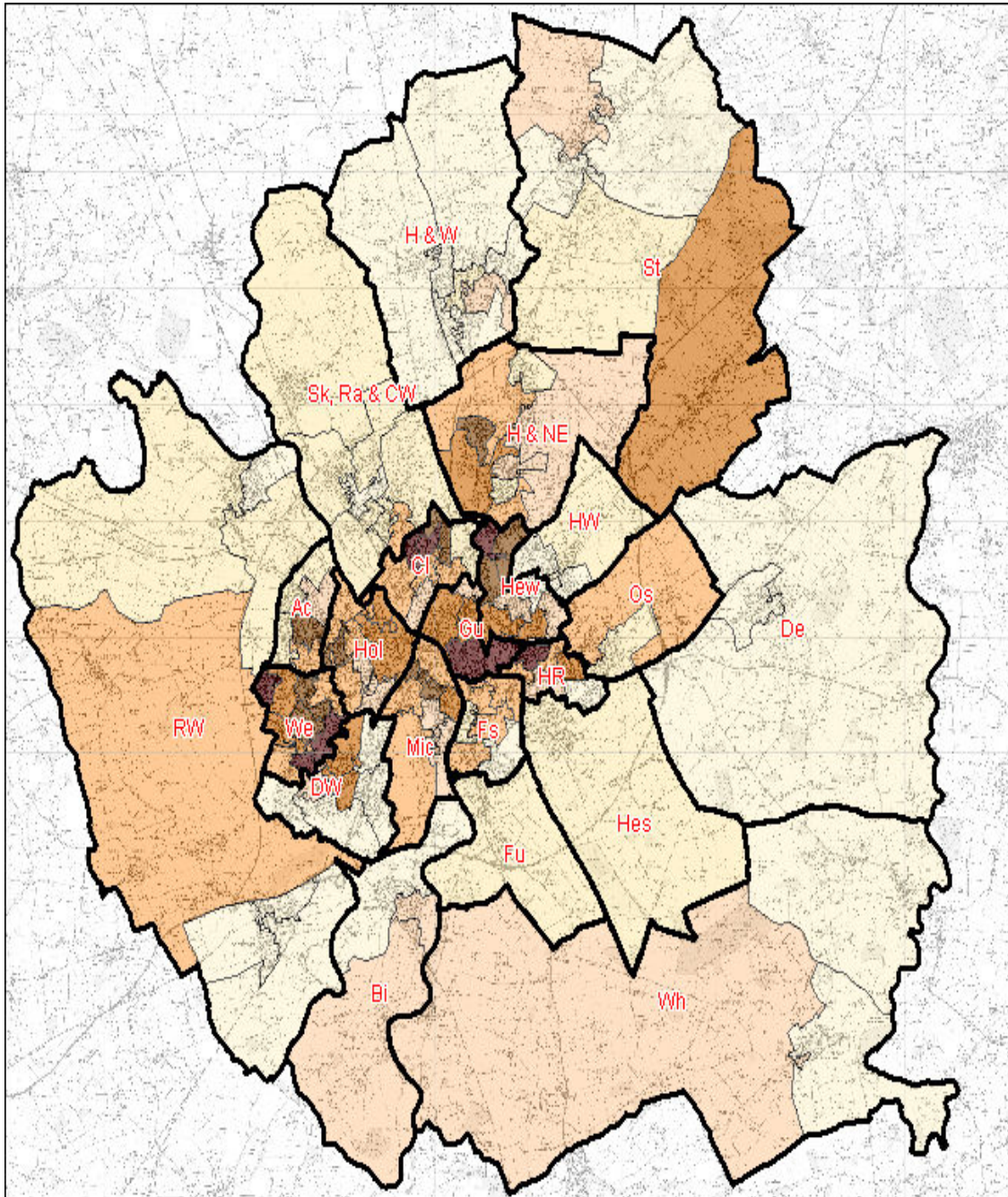
- 204 individuals have contacted Future Prospects
- 700 households in the area were offered learning and work advice (and signposting to other agencies where appropriate).
- 43 people have enrolled on courses; 1 has gone to do voluntary work and 12 found employment
- Up until March 2010, over £57,000 in additional annual benefits has been realised for residents.
- A new service started, in partnership with the Cornlands Road Medical Practice, the Foxwood Residents' Association and Railway Housing Association to fund a benefits advice worker for 1 day per week in the medical practice.
- In addition the Citizens Advice Bureau saw a total of 371 clients from the Westfield area between April 2008 and April 2009

However, with the high numbers of older people on Incapacity Benefit and Severe Disablement Allowance and the weighting put on employment in terms of the Index of Multiple Deprivation, it is probable that the area will not move out of the 10% worst in England in the short term.

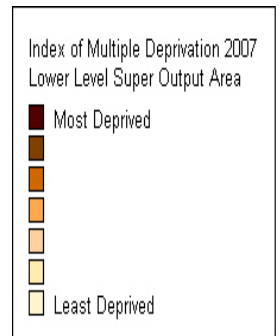
Figure 4, overleaf identified York's most and least deprived wards

<sup>13</sup> EBSI: Table 10: York's most deprived super output areas: Index of Multiple Deprivation 2007

Figure 4: City of York's Index of Multiple Deprivation 2007



Key to Ward
Acomb (AC)
Bishopthorpe (BI)
Clifton (CL)
Derwent (DE)
Dringhouses & Woodthorpe (DW)
Fishergate ((FS)
Fulford (FU)
Guildhall (GU)
Haxby & Wigginton (H&W)
Heslington (HES)
Heworth (HEW)
Heworth Without (HW)
Holgate(HOL)
Hull Road (HR)
Huntington & New Earswick(H&NE)
Micklegate (MIC)
Osbalwick (OS)
Rural West (RW)
Skelton, Rawcliffe and Clifton Without (SK,RA &CW)
Strensall (ST)
Westfield (WE)
Wheldrake (WH)
York's most deprived super output area are in the following ward
Clifton (worst 20%)
Guildhall worst 20%)
Hull Road worst 20%)
Heworth worst 20%)
Westfields worst 10%)



## Health

York is a healthy city. In the 2008 Place Survey, 78.7% of respondents said that their health was good or very good (NI119) which puts York in the best third quartile nationally.<sup>14</sup> The Department of Health produced a snap shot of the Health Profile for York 2010 highlighting that the health of people in York is generally better than the English average. Life expectancy, deaths from smoking, early deaths from heart disease, stroke and cancer are all better than the England averages. Headline messages from the Joint Strategic Needs Assessment (JSNA) reveal:

- The life expectancy for York men at 79.4 years is higher than the Yorkshire and Humber average at 77.12 and slightly higher than the England figure at 77.9.
- For females, the average life expectancy in York is 83.2 years. This is higher than the Yorkshire & Humber average at 81.29 and the England figure of 82 years of age.<sup>15</sup>
- There is a disparity in health outcomes between the more affluent and more deprived areas, with life expectancy for men living in the most deprived areas being 9.1 years lower than for men living in the least deprived areas and for females 4.5 years.<sup>16</sup>
- Currently around 7% of people over the age of 65 in York have dementia (some 2,400 people). This is set to rise to 10.34% over the next 15 years, signalling a substantial need for additional specialist dementia care.<sup>17</sup>
- There are between 3280 and 4,100 people with a learning disability within the city, of which 507 are known to social services.<sup>18</sup> There is a higher percentage of people with profound and multiple disability than in other comparable area. This is attributable to a previous long-stay hospital in the area being closed and people choosing to stay in the York area.

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<sup>14</sup> EBSI: Table 11 Health and Wellbeing Audit Commission One Place

<sup>15</sup> EBSI: Table 12: Life expectancy for males and females ONS 2009

<sup>16</sup> EBSI: Figure 4 and 5 Life Expectancy in York ONS 2009 and Life expectancy by deprivation quintile NHS Health Profile 2009

<sup>17</sup> EBSI: Table 13 Older People currently/predicted to suffer from dementia, PCT's in England Mental Health Observatory 2008

<sup>18</sup> EBSI Table 14: Tenure of People with Learning Disabilities Source: A Housing Plan for Adults with Learning Disabilities 2010 - 2017

## Section 3: The Policy Context Influencing York

The following are key strategies for the city of York, which influence York's ambitions and priorities and provide the setting for the Local Investment Plan.

### ***Sustainable Community Strategy 'Without Walls' 2008-2025***

The long-term vision for the City of York is set out in the Sustainable Community Strategy 2008-2025. The city-wide collective ambitions for the next 20 years support the following themed headings.

- The Sustainable City
- The Thriving City
- The Learning City
- The City of Culture
- The Safer City
- The Healthy City
- The Inclusive City

### ***The Local Development Framework- Core Strategy and Spatial Strategy***

The Local Development Framework (LDF) is the plan for the future development of York. The LDF is currently being developed and has recently undergone extensive consultation. It will be a blueprint for the economic, social and environmental future of York, which will provide the framework for implementing the council's aims and objectives that affect the use of land and buildings. The LDF Vision for York:

***' York aspires to be: a city of confident, creative and inclusive communities; economically prosperous at the forefront of innovation and change; and a world class centre for education, whilst preserving and enhancing its unique historic character and setting and fulfilling its roles as a leading environmentally friendly city. This will be achieved in a way that ensures that York fulfils its role at the centre of the York Sub Area and as part of the Leeds City Region. The LDF will take this agenda forward providing a planning framework to 2030 and beyond for the city's sustainable development'***

The LDF has seven strategic ambitions, which support the ambitions of the Sustainable Community Strategy

- 1 Use York's distinctiveness as a way to improve the city further.
- 2 Keep the economy strong and competitive and employment levels high.
- 3 Develop strong, supportive and durable communities.
- 4 Strike a healthy balance between physical growth and environmental sustainability.
- 5 Recognise and encourage York's global brand and position.
- 6 Work in partnership for the benefit of everyone.
- 7 Assert the city's role as an important regional centre.

The Core Strategy lies at the heart of the LDF and provides the spatial or planning expression of York's Sustainable Community Strategy and will set the overall direction for the plan by driving forward the spatial planning framework for the city. The purpose of the Core Strategy is to set out a vision, strategic objectives, targets and policies that will ensure the protection and enhancement of the city's historical and green assets whilst ensuring that

carefully designed new developments are brought forward to meet local need in line with national and regional policy requirements.

The Spatial Strategy sets out the general spatial principles that will underpin the distribution of future development in York. It identifies a settlement hierarchy where each level has a different role in meeting future development needs and considers a range of issues which will influence the Spatial Strategy. The role of the Green Belt, the City Centre Area Action Plan and the York Central and British Sugar strategic sites are addressed in this section.

## ***The Local Transport Plan 2***

The Local Transport Plan 2 (LTP2) 2006-2011 sets out York's vision and priorities to tackle congestion, improve accessibility for all, safety, air quality, the quality of life for residents; support the local economy and the development of a Tram-Train initiative.

## ***Leeds City Region Housing and Regeneration Strategy and Investment Framework 2009***

The Leeds City Region Housing & Regeneration Strategy and Investment Framework looks ahead for the next 10 to 15 years and sets out a long-term approach to housing and regeneration that will promote a high quality and balanced housing offer to support city region economic growth and address the current and emerging challenges and opportunities. The strategy is based on a clear economic rationale informed by the LCR Forerunner and City Region Development Plan, ensuring that housing supply and the residential offer will support the economic growth and low carbon agendas by providing the type of housing and sustainable communities that are needed. The strategy provides a clear framework for local authorities and their partners to secure investment that will help to create mutually reinforcing economy and housing markets across the City Region.

The strategy is structured around five themes covering:

- Accelerating Strategic Growth
- Promoting Eco-Living
- Delivering Strategic Urban Renewal
- Supplying Rural Economic Renaissance
- Facilitating Shared Resourcing and Research

## ***York Economic Vision***

The council have just received an independent report -The York Economic Vision - which makes recommendations on the economic direction of the city. It identifies interventions that are required to address the key economic challenges facing the city and to realise opportunities. It has a strong emphasis on improving quality of place in order to raise economic competitiveness. Key priorities include:

- Maximising York's Universities and the city's science and technology assets.
- Enhancing the quality of the city centre, including key streets and public spaces.
- Bringing forward key development sites and associated infrastructure.
- Fostering cultural and image enhancement.
- Increasing innovation, enterprise and supporting growth.
- Addressing access and movement issues in the city.

This report will now be considered by the council's Executive and LDF Working Group before being subject to wider consultation in the city. It will be used to inform key future city strategies.

### ***City of York's Retail Study***

Strengthening York's role as a sub-regional shopping centre is a key part of the LDF. York's retail study undertaken by GVA Grimley LLP 2008 recommended the following in terms of retail growth:

- Halt the declining market share of the city centre and claw back comparison goods trade travelling to competing shopping destinations. On the basis that York is able to increase its current market share to 34%, the study estimates capacity for additional 35,127sqm net of comparison floor space by 2017 and, by 2029, 106,927 sqm net of comparison floor space.
- Increase the supply of modern retail units and enhance department store representation in the city centre, as well as retaining the independent retail sector.
- Meet the need for additional convenience retail space.
- That the primary focus for retail growth for new comparison retail should be the central shopping area of the city centre, followed by extensions to the shopping area.

Given the level of retail growth proposed, the study recognises the need to identify development opportunities in addition to those outlined. The compact nature of the city centre and the constraints of the historic environment means that there are limited opportunities for new retail development within the central shopping areas or within the city as a whole. As a result it is necessary to consider edge-of-centre or out-of-centre locations to accommodate the unmet retail capacity.

### ***North Yorkshire and York Sub Regional Housing Strategy 2010-2015***

North Yorkshire and York is one of four sub-regions within the Yorkshire and Humber Region. It comprises seven Borough/District housing authorities of North Yorkshire and City of York Council. The North Yorkshire and York's Sub-Regional Housing Strategy sets out its strategic priorities to deliver good quality housing that respects and enhances the highly valued and diverse living environment covering Craven, Hambleton, Harrogate, Richmondshire, Rydale, Scarborough, Selby and York, whilst supporting its economic growth. The strategy's key aims are:

- Enabling the provision of more affordable homes.
- Maintaining and improving the existing stock.
- Delivering community renaissance.
- Improving access to housing services.
- Reducing homelessness.

### ***York Housing Strategy 2011-2015***

The York Housing Strategy was refreshed in September 2010. As an overarching document, it summarises the key challenges faced by the city in relation to housing and housing-related needs. Research underpinning the document shows York has one of the highest levels of housing need in the North of England. Smaller household size, in-migration and other demographic factors mean the number of households in York will increase significantly over the next 20 years. Housing supply has not kept pace with demand, resulting in high house prices well beyond the means of those on average earnings. Providing more affordable and decent homes is a central priority for the city, not only to

underpin improvements in health and well-being but also to support York's economic ambitions.

Building new homes cannot be the sole answer. The city must make better use of the existing housing stock, a significant proportion of which is under-occupied, and ensure existing dwellings are maintained and improved and suitable for the needs of those growing older. The city must ensure people are helped to remain in their homes, particularly as the cuts in public spending begin to take hold, through appropriate and timely advice and support.

York Housing Strategy priorities are to:

- Improve access to housing and housing services, including appropriate information, advice and support.
- Make best use of the existing housing stock.
- Maximise the supply of decent, environmentally-sustainable homes that people can afford.
- Improve the condition, energy efficiency and suitability of existing homes and create attractive, sustainable neighbourhoods.
- Reduce homelessness and tackle the causes of homelessness.
- Develop effective partnership working.

#### ***Private Sector Housing Strategy 2008-2013***

This strategy seeks to improve the condition and management of private housing in York, including owner-occupied and private rented dwellings. The private sector represents by far the largest proportion of homes in the city. Most would agree that the primary responsibility for repairing and maintaining homes must rest with the property owner. Over recent years, owners have invested significant resources into the private sector stock, helping raise standards across the board. Overall, the condition of the private sector stock is good, with high levels of thermal efficiency. The council and its partners have worked closely together to help encourage and support this investment. However, pockets of poor condition can still be found, especially in the private rented sector and in older properties. The strategy seeks to address this imbalance in outcomes between different tenures and property types. The multi-agency group behind this strategy identified the following priorities:

- To encourage and support owner-occupiers to maintain and repair their homes and introduce energy efficiency measures.
- To encourage them to provide good quality and well-managed properties.
- To help people whose independence may be at risk remain in or return to their homes.
- To maximise use of the existing housing stock.
- To strengthen and develop partnership working to support the private housing sector.

#### ***Homelessness Strategy 2008-2013 (incorporating the Youth Homelessness Action Plan and the Rough Sleepers' Action Plan)***

Homelessness is the most extreme form of housing need. It can affect anyone including families, childless couples and single people. Whilst York is a relatively prosperous city, pockets of deprivation do exist. Over recent years, homelessness services in York have been focused on preventing people becoming homeless in the first place. Significant gains have been made with dramatic reductions in the number of homeless acceptances and use of temporary accommodation. Updated housing advice and information services play a big part in this, as do a range of early intervention tools focussed on the main causes of

homelessness, such as families no longer willing to house, loss of tenancy and relationship breakdown. A particular challenge is to continue to reduce the number of young people coming through the homeless route, and provide specialist help and support in purpose-built accommodation for those that need it. The partnership board that agreed the strategy identified the following strategic aims:

- Ensure people who are at risk of homelessness are aware of, and have access to, the services they need to help prevent it.
- Ensure the provision of, and fair access to, accommodation sufficient to meet identified housing needs.
- Ensure people with housing-related support needs have these needs fully assessed and have access to the support services required to sustain independent living and prevent homelessness.
- Ensure the effective co-ordination of all service providers, across all sectors, whose activities contribute to preventing homelessness or meeting the accommodation and support needs of people who are homeless or at risk of homelessness.

### ***York's Older People's Housing Strategy 2011-2015***

The Older People's Housing Strategy is based on pioneering research into older people's housing and support needs undertaken by City of York Council. The ageing population is one of the most significant challenges facing the city. Older people increasingly want to remain independent in their own homes and have more choice in where and how they live. Access to a wider range of housing advice and information is required to help people remain in their own homes for as long as they want and ensure new homes are built to lifetime homes standards in safe, well-connected neighbourhoods. The strategic aims of York's Older People's Housing Strategy are to :

- Ensure much more accessible, clear and trusted information is available to older people regarding their housing options, so they can make informed choices and plan ahead for older age.
- Ensure older people households are able to live in their own homes for longer, rather than have to move to specialist accommodation to maintain their independence and well-being.
- Where households prefer to access specialist housing for higher-level support needs, ensure it is of the right type (minimum 2 bedrooms, self-contained) and location and offers choice to meet the varied needs and aspirations of older people.



## Section 4: York's Vision, Strengths, Challenges and Ambitions

### The Vision for York 'A city making history'

The York LIP will form part of the delivery mechanism for York's Sustainable Community Strategy Vision: 'A City Making History'. The vision is supported by the following themes:

<b>The Sustainable City</b>	Reduce the impact on the environment while maintaining York's special qualities and enabling the city and its communities to grow and thrive.
<b>The Thriving City</b>	To continue to support York's successful economy to make sure employment rates remain high and that local people benefit from job opportunities.
<b>The Learning City</b>	To make sure that local people have access to world-class education and training facilities and provision. This will help them to develop the skills and aspirations they need to play an active part in society and contribute to the life of the city.
<b>The City of Culture</b>	To inspire residents and visitors to free their creative talents and make York the most active city in the country. We will achieve this by providing high quality cultural and sporting activities for all.
<b>The Safer City</b>	York to be a safer city, with low crime rates and high opinions of the city's safety record.
<b>The Healthy City</b>	To be a city where residents enjoy long, healthy and independent lives. For this to happen we will make sure that people are supported to make healthy lifestyle choices and that health and social care services are quick to respond for those that need them.
<b>The Inclusive City</b>	To do our best to make sure that all citizens feel included in the life of York. We will help improve prospects for all, tackle poverty and exclusion and make services and facilities easy to access.

The Sustainable Community Strategy gives a strong emphasis to addressing housing needs in the city and creating sustainable communities.

'We want all of our neighbourhoods and communities to be sustainable. This means having a thriving mix of uses and being well-connected by providing ease of movement between key destinations, adjacent areas and to the rest of the city. A sustainable neighbourhood means a balanced one, with a well-integrated mix of decent homes of different types and tenures to support a range of household sizes, ages and incomes. We need to determine appropriate levels of housing, especially low cost / affordable and family housing, that are required within the city and beyond to meet expected economic and population growth.'

## Strengths, Challenges and Ambitions

### Economy

York's economy has seen significant structural change with the decline of its traditional industrial base through the late 1980s and early 1990s. Today, York is a modern, economically prosperous city having economic strengths in the science, technology, creative industries and professional and financial services and a thriving tourism industry with over seven million tourists visiting the city each year.

The city centre is an attractive and vibrant retail destination with a good range of major mainstream multiple retailers, as well as numerous special-interest, independent, local shops that contribute greatly to the distinct character of the area. The city centre is important not only to the city but also to the North Yorkshire sub-region and the Leeds City region.

York is also one of five local authorities in the Yorkshire and Humber region that experiences a net inward flow of trips to work (26,300 commute trips in, 13,700 commute trips out). This reflects York's role as a major economic centre within the region.<sup>19</sup>

York is a designated Science City with national recognition and growing expertise in bioscience and creative and digital sectors. This Science City initiative has been a key part of York's continued economic success. Science City York was established in 1998 and is a partnership between City of York Council and the University of York. The University Science Park is home to a range of knowledge-based enterprises with direct links to the University. It is a successful business and skills development initiative, driving the creation and growth of business and employment opportunities across York and North Yorkshire within three fast-growing technology sectors - bioscience, creative industries, and IT and Digital.

Early indications following the Comprehensive Spending Review indicate that York's Science City opportunities are enhanced by the provision of £200m per annum to support manufacturing and business development, with a focus on supporting potential growth companies and the commercialisation of technologies and innovation centres.<sup>20</sup>

Science City York is successfully driving the creation and growth of business and employment opportunities across York and North Yorkshire within three fast-growing technology sectors; bioscience, the creative industries and IT& digital. It is building a prosperous future for York and North Yorkshire as an internationally recognised centre of excellence for research, innovation and enterprise.

Science City York was launched in 1998 as part of York's bid to reposition York and North Yorkshire as a hub for research and development and enterprise in new technologies. The initiative is led by the University of York and City of York Council, with support and involvement of key private sector representatives and subsequent funding from Yorkshire Forward. In 2008, Science City York became a company limited by guarantee with the University of York and City of York Council remaining actively involved as a major stakeholder.

Science City York was initially focused on driving forward York's economy creating new jobs, attracting new inward investors to the city and assisting in the creation of 25 technology-based business. Recent figures reported that 99 new technology-based businesses and

<sup>19</sup> EBSI Figure 6 :Inward and outward commuters Annual Population Survey 2008

<sup>20</sup> City of York Policy Briefing: Comprehensive Spending Review 20<sup>th</sup> October 2010

2,800 jobs have been created. Science City York's remit has been extended to promote business and employment opportunities spanning key technology services across North Yorkshire, offering fully funded business support to technology ventures; sector specific networks and specialist skills initiatives alongside the wider promotion of science and technology across communities.

York has a reputation for investment and innovation and spends three times as much on research and development activity per head than the regional average. As a designated Science City it has a growing science and technology base, bringing the need for new skills and learning opportunities. Employment is in the three fast-growing science clusters (Bioscience & Healthcare, E-Science - IT & Digital, Creative including Heritage & Arts Technology).

Set within the UK context, York performs relatively well in terms of a number of competitive indicators. For example, according to Huggins Competitiveness Index (2010), York is ranked in the top 38% of local authority areas for overall competitiveness and has a highly skilled workforce with approximately 35% educated to NVQ4+ which is above the regional average.<sup>21</sup>

York also performs well in relation to its ranking in terms of GVA per head (30%) and proportion of knowledge-based businesses (41%).<sup>22</sup> However, in terms of enterprise and innovation business births per 1000 population, York business density at 44.5 is lower than the national (57.2) and regional averages (48.4).<sup>23</sup>

### **Employment**

Employment in York is high at 79.1% compared to Yorkshire and Humber at 71.2%.<sup>24</sup> York is one of a few authorities within the UK that has a high percentage of residents who are of working age. The working age population (15-69) is expected to rise by 20% from 147,000 to 176,100 by 2031.<sup>25</sup>

Job density in York has always remained high, depicting a good ratio of total jobs to working age population within the authority at 0.91. In comparison to Yorkshire and Humber (0.79) and England and Wales (0.83), job density in York is consistently higher.<sup>26</sup>

Despite the recession, whilst the claims in Job Seekers allowance have increased over the past few months and were 3,957 (April 2010), this figure is lower than both the Yorkshire and Humber and Great Britain figures.<sup>27</sup>

### **Earnings**

The average gross weekly earnings (resident based) in the city are £479.3, higher than the Yorkshire and Humber average at £452.4 but lower than Great Britain at £491.0.<sup>28</sup>

<sup>21</sup> EBSI Table 15: Huggins Competitiveness Indicators 2010

<sup>22</sup> EBSI: Table 15 Huggins Competitiveness Indicators 2010

<sup>23</sup> EBSI: Table 16 Number of business births per 10,000 population 2004-2008-Source ONS Business

Demography

<sup>24</sup> EBSI Table 17 Working age population/Employed and Unemployed ONS Annual Business Inquiry Employee Analysis (2008)

<sup>25</sup> EBSI Table 4 2006 Sub-National Population Projections in Age Groups (in thousands)

<sup>26</sup> EBSI Table 18: Job density

<sup>27</sup> EBSI Table 19 Job Seekers Allowance claimants and Figure 7 Job Seekers Allowance claimants

<sup>28</sup> EBSI: Table 20 ONS 2009 annual survey of hours and earnings resident based average gross weekly wages all full time workers

Average household income is just short of £33,000; slightly higher than the Leeds City Region at £31,588.<sup>29</sup>

Older person households have, on average, less than half the level of income of other households. Some 81.7% of older person households are retired with a median income of £12,792. Non-retired older person households have a median income of £19,765. Although older person households have lower median income levels than other households, they have higher levels of savings (an average of £13,720 compared to £2,381 for other households) and equity (an average of £162,905 compared to £113,283 for other households).<sup>30</sup>

### **Types of Employment**

The employment base in York is diverse with a strong service-industry presence. Key areas of the service industries include public sector employment, health, education, finance business services, IT and tourism.<sup>31</sup> In common with many other northern cities, the public sector share of total employment in York is higher than the national average at 33.9% compared to 27%.<sup>32</sup> Whilst the city is in a strong place and is likely to fare better than others in the recession, the strong reliance on public sector employment in the city is likely to create a significant challenge for the city in the coming years.

Although recently the economic downturn has affected the economy locally, it is still anticipated that job and employment growth will occur in the future. The 2009 Employment Land Review by consultants Entec predicted an increase of about 1000 new jobs per year from now until 2029. Whilst predicting a decline in light and general industry, there is an expectation that there will be a significant rise in office-based jobs, followed by a growth in storage and distribution.<sup>33</sup> Yorkshire Forward's economic impact assessment<sup>34</sup> predicted that in terms of long-term growth forecasts for the banking, finance, business services sector, in excess of 3,000 new jobs in the next decade, approximately 2,000 new jobs in retailing, hotels and catering and over 800 new jobs in the health sector.

The impact of the recession on York's economy was analysed by the Centre for Cities policy think tank in March 2009.<sup>35</sup> The key recommendations from the report were:

- Sustainable growth – the need to embrace managed change in the city and deliver the infrastructure needed to support sustainable economic growth, particularly focused on the York Northwest development opportunity.
- Science and technology – partners through Science City York need to increase their focus on building up the city's science and technology cluster.

Despite these strengths, the city does face a number of key challenges. The public sector share of total employment in York is higher than the national average. This strong reliance on public sector employment is a particular challenge in light of the government's commitment to reduce the public debt. As the public sector contracts, a key economic policy priority over the next decade will be to increase private sector job growth to rebalance the economy and to provide new opportunities to replace jobs lost through a decreasing public

<sup>29</sup> EBSI Table 21: Average Household income Acxiom, National Lifestyle Survey, 2010

<sup>30</sup> EBSI: Table 22 Financial Information for older people Fordham's Older Person Housing Needs Assessment 2009

<sup>31</sup> EBSI Table 23: Type of employment in York ONS Annual Business Inquiry Employee Analysis (2008)

<sup>32</sup> EBSI: Table 23 Type of Employment in York ONS Annual Business Inquiry Employee Analysis (2008)

<sup>33</sup> EBSI Table 24: Use Class (Source: Entec (2009) Employment Land Review Stage 2)

<sup>34</sup> Yorkshire Forward-Regional Econometric Model

<sup>35</sup> Kieran Larkin (March 2009) York: Prioritising Prosperity – Centre for Cities

sector. This makes the need to make opportunities/sites ready for private sector investment all the more urgent and to increase private sector growth in the knowledge-led economy and tourism.

As the profile of York's knowledge-led economy develops and the nature of both the traditional and established job market changes, the city needs to be able to support emerging workforce skill needs.

The changing nature of York's workforce will require the city to support emerging workforce skill needs.

York's economic assessment 'Setting the Economic Direction 2010' highlighted that the city centre suffers from a lack of concentration of high value office accommodation and is not as attractive as it could be, suggesting that the city needs to become a more vibrant place in order to compete effectively with other cities. York's Retail Study (2008) concluded that a further challenge to the success of the city centre is growing competition from other shopping destinations such as Hull and Leeds and major out-of-centre locations. This is combined with a lack of space for higher quality, more varied department store operators to ensure the city centre can compete effectively. In order to achieve a strengthened retail role for York, it is crucial that the decline in the city centre's market share for comparison goods is halted and increased.

To further strengthen York's economy, a key challenge is to increase private sector growth in the knowledge-led economy and tourism, to rebalance the economy and to provide new opportunities to replace the contracting public sector. There is also a need for high quality office accommodation and initiatives that enable the city centre to become a more vibrant place including strengthening York's retail offer, particularly the capacity for larger shops.

### **Economic Future Strategic Ambitions**

To continue to strengthen York's economy, increasing private sector growth in knowledge-led and tourism industries we aim to:

- Maximise the universities and the science and technology assets by continuing to support Science City York to ensure a leading edge, modern, knowledge and science based economy. We will continue to develop Heslington East, a key expansion site for the University, which provides opportunities for business growth and expansion associated with science and technology business sectors. Heslington East has an important role to play in supporting continued start-up and growth of high-tech, high-growth potential companies.
- Bring forward key development sites and associated infrastructure. York has a number of significant development sites arising as a result of former industrial uses. These sites include:
  - York Northwest (which comprises the York Central and British Sugar sites) is the largest regeneration project in York capable of making an economic impact regionally and beyond. The development of these sites will create considerable opportunities for York residents to find jobs in a range of sectors and occupations including retail, leisure and hospitality, business services and construction. The two sites sit on a major road and rail corridor. The aim is to develop these two

sites as a sustainable, mixed-use regeneration scheme with over 3000 dwellings. The establishment of a Central Business District with leisure, commercial and tourism uses will be promoted as part of a new urban quarter in York Central.

- Hungate, located in the city centre, provides an opportunity for a major office development of landmark status with an excellent opportunity for city centre residential developments.
  - Terrys is a derelict former chocolate factory on the southern urban fringe of the city, next to York Racecourse. It benefits from easy road access to the A64 and the wider city region, and is a mile from York Railway Station. The scheme will deliver a range of uses including hotels, offices, a care home and 271 homes.
  - Nestle South is a mixed regeneration scheme site allowing for the provision of housing and new employment opportunities, especially around creative industries.
  - Castle Piccadilly offers the opportunity to enhance the historic, internationally-renowned setting of the area whilst also creating a retail-led development that builds on the vitality of the city. It presents huge challenges and opportunities in terms of design and scheme viability, proximity to the scheduled Clifford's Tower, listed Eye of York buildings (Law Courts, Castle Museum), and will need to be of exceptional quality.
- Enhance the quality of the city centre. Interventions are required to improve quality of space and place. Accessibility and movement around the city centre is a priority. Growth is forecast in the financial and business sectors in the city and high quality accommodation is an important component in attracting such growth. We will therefore pursue our ambitions to develop a Central Business District within the city centre. The Hungate site is one such place that could provide opportunities for a commercial office quarter in advance of the longer-term prospects for York Central that would have significant benefits for the city centre.
  - Foster cultural and image enhancement of the city. A key priority is to build and promote York's brand and reputation on activities and achievements of its higher and further education sectors and Science City York. We will embrace York's rich cultural heritage and develop a strategy for enhancing the city's night time and cultural economy offer. A cultural planning approach will be developed that builds on the creativity and heritage within the city to foster small business growth, increase participation and increase the festival programmes. A further priority is to enhance the image of the city and to raise the importance of the low carbon and carbon reduction agenda, not solely through the work of the bioscience and renewable energy groups at the University but through promoting the measures necessary to comply with the council's carbon reduction commitment and supporting the recommendations of the city's renewable energy strategy.
  - Increase innovation, enterprise and support growth. We will develop an enterprise-prospecting network to assist students, graduates and local residents into business. Through the establishment of an enterprise advice and support infrastructure with Science City as the hub, SMEs will be able to access support in all the related technologies and the region's priority sectors and clusters. SMEs will be given support to access enterprise skills and training and a programme of Enterprise and STEM in schools will be delivered. We will also support growth in the banking, insurance, professional service, health and in the retail/hospitality sectors.

## Education and Learning

York has some of the best local authority schools in the country with three quarters of the schools graded by Ofsted as good or outstanding. The council provides 1 nursery, 54 primary, 10 secondary and 2 special schools. Nursery education is offered by 19 of York's primary schools. In 2009, 73% of pupils gained 5+ A\* GCSEs or equivalent which compares to 70% nationally.<sup>36</sup>

### ***School Improvements***

Over recent years, York has embarked on a programme of school improvement, which has included the complete rebuild of three secondary schools in the city and York College has invested in a state of the art new building. Significant investment has been made in York's educational infrastructure in recent years with the completion of new buildings for York College, Manor School, York High School and Joseph Rowntree School. Currently two new primary schools are under construction and these will be completed in 2012. Future projects of this scale will be determined by public expenditure announcements which are now expected in late 2010. The local authority expects any further investment to prioritise the modernisation of existing school buildings, replacing outdated heating systems and renewing roofing and windows.

### ***Pressure on school placements***

A rising birth rate in recent years is now beginning to increase pressure on places at primary schools in many villages and in several areas within the city. The local authority is also reviewing primary provision in the light of new and planned housing developments at sites across the city including the old York College site, the Terrys development, Derwenthorpe, the British Sugar and Nestle sites, and Germany Beck. Future proposals will be subject to the level of central government capital funding and to contributions negotiated with developers. A review of education provision across the city will be completed autumn 2010. However, there are already a number of existing supply issues in the city which relate to the primary sector. By 2014/15, the larger cohorts currently at primary school will reach the secondary sector. It is anticipated that there will be overcrowding issues at the most popular secondary schools.

### ***Skill Development***

A further challenge is the ability to support emerging workforce skills development and to retain and attract talented, entrepreneurial people as York's knowledge-led economy develops and the nature of the traditional and established job market changes. The Learning City York 14–19 Partnership (10 secondary schools, 2 colleges, various training providers) has an Local Authority-led 14–19 Plan which sets out strategic priorities to 2015. Providers are increasing the breadth of provision in York with a greater priority on vocational/applied learning qualifications and skills development. It highlights the need to develop provision which is relevant to key economic sectors including health and social care, public services and all aspects of the tourism economy (hospitality, retail, travel and tourism etc).

An employer engagement strategy has been developed and will be implemented and the York Future Workforce Development Group (Chaired by the council's assistant director for Economy and Asset Management) focuses on establishing the needs of employers, now and

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<sup>36</sup> (EBSI) Table25: GCSE and equivalent results, percentage of pupils gaining –achieving 5+A\* Department of children, schools and families 2009

into the future and using this information to influence the development of provision. The four HE providers in York are involved in a range of activity with LA services, schools and colleges. Their partnership (Higher York) actively works to support curriculum development for 14–19 year olds, provision of advice, guidance and support for young people and other activities around raising young people's aspirations.

### ***Narrowing the gap in attainment for the most vulnerable and disadvantaged groups of learners***

A key focus in the last year has been on developing community leadership within schools, in recognition of the fact that many children in these areas have troubled lives outside school and a multi-agency approach has been developed in various localities across the city, eg, Clifton and Acomb, working with parents, police, health workers, family support, local businesses, youth groups and other community groups. We have cross-phase working through the Family of Schools model. This is at early stages and the models are different to reflect the needs of the schools and their communities; however we have three 'families' based around the schools that partner Huntington Secondary, Burnholme and York High.

There was targeted work undertaken throughout 2009/10 focusing on the six primary schools that serve our most disadvantaged areas. All six improved on 2009 results, with four making significant improvements. The focus was on strategic planning over three years, community leadership, learning and teaching, the curriculum and engagement with parents.

### ***Encouraging 16–18s into education, training and employment***

Raising participation and improving progression are also key priorities. The 14–19 team has worked with providers to establish new provision, especially for young people who are currently NEET (not in education employment and training). Examples include the 'Step Up to Progress' and 'Accelerate' programmes at York and Askham Bryan Colleges respectively. We have also sought to improve the quality of information, advice and guidance through provision of a web-based Area Prospectus containing details of all providers and courses, guidance booklets for all 14 year olds and 16 year olds and a city-wide progression event every October. In addition, Connexions Advisers working with schools provided targeted support for learners, especially those in vulnerable groups and those who are disengaged and disaffected.

### ***Children's Centres and the provision of Sure Start***

York City Council is currently working on a new anti-poverty strategy for the city, focusing particularly on child poverty. This issue remains a priority for the coalition government. The strategy will be put to the council's Executive early in the new year. Any anti-poverty strategy will inevitably have many interlocking components, not all of which are directly under the council's control, such as take up of benefits. The council does however have a major new piece of infrastructure to help address this issue in the form of the nine Sure Start Children's Centres. Again, the coalition government appears to have made a commitment to maintain these centres, albeit possibly with a different focus.

The Children's Centres are not just there to address deprivation. They provide a universal range of services to families of pre-school children (0–5) including advice and information, signposting to childcare, parenting classes, health advice and so on. The services are available to all families within City of York's boundaries. A number of different agencies operate from within the centres, including health visitors.



Nevertheless, the centres have deliberately been located on the sites of primary schools at the heart of our most deprived communities, selected using the Indices of Multiple Deprivation. This is in recognition of the particular need to target resources in such communities to ensure that children from poorer backgrounds do not enter reception classes already at a significant disadvantage. The Children's Centres are developing a wide range of targeted programmes to assist such communities (as well as the universal offer) including benefits advice, adult literacy and numeracy etc. They are also working with Children's Social Services to provide outreach services to a number of deprived families who may need help but who fall below the statutory threshold for social work intervention. The emphasis is on a multi-agency approach to such work, based on the successful models of integrated working that York has developed.

### **Education - Future Strategic Ambitions**

Key priorities are to continue with school improvements, narrow the gap in achievement between children from different communities including those for whom English is not their first language and to ensure work-force skills are developed to respond to York's changing economy.

## Housing

Safe, secure and affordable housing is an important component in a healthy and happy life. The majority of people living in York have accommodation that meets these needs but there are a number of factors that can have a negative influence including the ability to meet housing need, housing affordability, housing provision for vulnerable groups, quality of accommodation and homelessness. All these factors have influenced the city's future strategic ambitions, set out in the Housing Strategy 2011-2015.

### **City of York Households**

Currently there are 87,000 households in York and this is projected to grow to 117,000 by 2031.<sup>37</sup> The main drivers for this are the trend towards smaller household size, an increase in the number of people over 60 living alone and in-migration.

The number of older people is expected to increase by 30% in the next 20 years, with the biggest rise in those aged 80 and over<sup>38</sup> expected to increase by 78.9% by 2031. This is higher than the projected over 80 age group for Yorkshire and Humber at 74.61% but lower than the expected increase in this age group for England, predicted to grow by 98%.

Multi-person households are set to increase from 28,000 to 43,000.<sup>39</sup> This may reflect changing lifestyle trends such as homes in multiple occupation inhabited by young professionals as well as communal establishments.

In terms of household types and predicted projections by 2031 these are as follows:

- 46,000 married or cohabitating couples expected to rise to 56,000.
- 6,000 lone parents expected to rise to 7,000.
- 28,000 persons in multi-person accommodation expected to rise to 43,000.
- 7,000 one person households expected to rise to 11,000 by 57% compared to 60% nationally.<sup>40</sup>

The number of households is predicted to increase significantly from 87,000 to 117,000 between now and 2031. With an increased need to provide for smaller households and persons living in multi-person accommodation

### **Type and Condition of York's Housing Stock**

#### **Housing Type**

At April 2009, there were 7,983 council properties in York, 4,337 Registered Social Landlords (RSL) dwellings and over 70,500 properties that were either owned or privately rented.<sup>41</sup> Owner-occupation is the highest tenure type in York at 73%, which is higher than the Yorkshire & Humber average at 67.6% and the England average at 68.7%.<sup>42</sup>

In 2001 the proportion of private rented accommodation was around 10% which was on a par with the Yorkshire and Humber and England percentages. However, the more recent

<sup>37</sup> EBSI Table 26: Household projections: Source ONS 2008

<sup>38</sup> EBSI Table 4: Population Projections by age group: Source ONS 2008

<sup>39</sup> EBSI Table 26 Household Projections: Source ONS 2008

<sup>40</sup> <sup>40</sup> EBSI Table 26A Household Projections: Source ONS 2008

<sup>41</sup> EBSI Table 27 Property Type and Tenure in York: Source HSSA 2009

<sup>42</sup> EBSI: Figure 8 Tenure of York's Housing Stock: Source Census 2001

private sector stock condition survey (Sept 2008) put the total private sector housing stock at 71,473 (based on council data), out of a total dwelling stock (all tenures) of around 84,350 (April 2009 HSSA figure). Of the 71,473 private homes, 12,727 are private rented which equates to just over 15% of total housing stock. There is no comparative information for Yorkshire and Humber and England. York has a relatively low proportion of social rented homes at just 15% of total stock compared to the Yorkshire and Humber figure of 21% and the England figure of 19.3%.<sup>43</sup>

The most common house type in York is semi-detached, at 37.3% similar to Yorkshire and Humber at 37.5% and higher than England figures at 31.6%. This is followed by terraced properties at 25.8%, the same figure for England but lower than the Yorkshire and Humber figure at 29.10% York has lower numbers of detached properties compared to its semi-detached and flatted properties at 23.1%. However, its concentration of detached properties is higher than Yorkshire and Humber at 20.2% and the England figure at 22.5%. Flats in York make up the smallest concentration of property type at 13.2% , higher than the Yorkshire and Humber figure at 12.7% but lower than the England figure at 19.3%.<sup>44</sup> In terms of future housing type, the SHMA 2007 concluded that the type of housing required across all tenures to meet future needs should be split 64% houses (either 2 or 3 bedroom) and 36 % flats

Housing age distributions varies across the city reflecting historical development patterns from the older core. The oldest housing age profiles are measured by the proportion of pre-1919 housing in the private sector; 17.9% of the stock is pre-1919.<sup>45</sup> In the council sector, 12% of the stock was built before 1930.<sup>46</sup>

### **Stock Condition**

The condition of housing stock in the city is relatively good. In terms of council housing 100% of stock will meet the Decent Home Standard by December 2010. In order to make best use of council housing stock, a Housing Asset Management Strategy is in development and will be completed later this year. As well as providing the strategic direction on how the council can make best use of its existing council housing stock, it will identify HRA sites suitable for development/redevelopment. There are also plans, following government conclusions on the HRA subsidy review, to undertake a Housing stock option appraisal and financial assessment to secure long-term investment in the council housing stock that meets the needs of the stock and aspirations of tenants.

Private sector stock condition is better than the national average with non-decency at 19.2% compared to 37.5%.<sup>47</sup> However there are still 13,702 private sector homes that fail to meet the Decent Home Standard, there are still 6,000 properties (8.2% of private sector households) in fuel poverty<sup>48</sup> and 6,337 private sector dwellings (8.9% of the stock) fail the energy efficiency requirements of the Decent Home Standard.<sup>49</sup> The cost of bringing these private sector homes up to the Decent Home Standard is in the region of £63,360m (£4,625 per property).<sup>50</sup>

<sup>43</sup> EBSI Figure 8: Tenure of York's Housing Stock Census 2001

<sup>44</sup> EBSI Figure 9 House Type in York: Source Census 2001

<sup>45</sup> EBSI: Figure 10 Private Sector Housing Stock by Age of Construction – Private Sector Stock Condition survey 2008

<sup>46</sup> EBSI: Table 28 & Figure 11 Age of Council Housing stock

<sup>47</sup> EBSI Figure 12 & Figure 13 Private Sector Stock Condition Survey 2008

<sup>48</sup> EBSI Figure 14: Fuel Poverty Private Sector Stock Condition Survey 2008

<sup>49</sup> EBSI: Table 29: Energy Attributes Private Sector Stock Condition Survey 2008

<sup>50</sup> EBSI: Figure 15 Decent Home Standard Investment Needs: Private Sector Stock Condition Survey 2008

To address decency in the private sector the council, together with partners, has embarked on a number of initiatives including introducing the Area Based Home Insulation Scheme, Hot Spots and Home Appreciation Loans (HALS), Home Safety Loans and Decent Home Loans. The continued funding for the Area Based Home Insulation Scheme, currently funded from the council capital programme, is vulnerable as is funding for the Hot Spot initiative funded through LAA monies which comes to an end in December 2010. The Home Appreciation Loan Scheme is in its infancy and it will be some years before this initiative will be self-funding. York is therefore pursuing funding avenues to ensure sufficient resources are secured to continue with these programmes. The following case studies outline how successful these initiatives have been.

#### **Area based home insulation scheme**

The area based home insulation scheme is aimed at improving energy conservation standards in homes in the city. Members agreed to new funding of £100,000 in 2009/10. A further £25k was allocated for 2010 to complete the areas identified and to extend the scheme into the Guildhall ward. This funding is supplemented by CERT funding, regional housing board and government grants (Warmfront) to install free loft insulation and cavity wall insulation (where appropriate) in all private homes in the eligible areas.

Initially the scheme was targeted (having regard to the fuel poverty report and the private sector stock condition survey) at the wards with the lowest SAP ratings and highest levels of fuel poverty. The scheme is run by a unique partnership of the Energy Partnership, the Energy Savings Trust advice centre (ESTac), and Neighbourhood Management Unit.

Each eligible householder benefits from free installation of loft and/or cavity wall insulation arranged through the Energy Partnership. Using this approach, more than 3500 private homes have been contacted in the two wards over the last 12 months. All have received advice and information about energy efficiency. More than 348 homes have received insulation measures with a further 100 in the pipeline.

#### **Hot Spot scheme**

The aim of this scheme is to help all vulnerable residents across the city to achieve affordable warmth, and remove them from fuel poverty. The need was identified in the council's Fuel Poverty report 2008.

Using a partnership of organisations including the NHS, The Pension Service, North Yorkshire Fire and Rescue Service and City of York Council the Hotspots scheme allows cross-referrals to be made between organisations using a card referral mechanism. The scheme is funded through LAA funding until December 2010 and additional funding has been secured to extend the scheme until March 2011. Residents can be referred for:

- 1) Energy efficiency advice possibly leading to grant applications for free insulation and heating systems.
- 2) Benefit checks to maximise income.
- 3) Home fire safety checks to minimise fire risk in the home.

Since the scheme has been established:

- Hotspots has generated 416 referrals for help measures across 317 householders who may not have received help otherwise.
- Generation of benefits uptake totalling over £5,000 a year.
- Increased energy efficiency and home fire risk awareness.
- Potential lifetime saving of 131.6 tonnes of CO<sub>2</sub> emissions to date.

### **Home Appreciation Loan Service**

York is funding loans to help vulnerable homeowners maintain their home. These vulnerable homeowners are unable to access commercial help to maintain their home. By replacing the old grant system with new loans the council is ensuring that the money can be recycled.

The secured loan allows the homeowner to release funds from their home to make repairs or improvements to the property. It does not become repayable until the ownership of the property is transferred or sold and there are no monthly repayments.

Since its inception in 2008, 53 applications have been made and over £666,000 has been granted in loans.

### **Home Safety Loan**

York offers a smaller loan for work, which cost less than £4k. The Home Safety Loan seeks to compliment the Home Appreciation Loan (HAL), recognising that where simple low-cost work is required to remove category 1 hazards, a simpler loan product is required for vulnerable residents. Where clients are eligible for both types of loan, if the cost of the eligible work is more than £4k the home appreciation loan is offered only.

The secured interest-free loan allows the homeowner to release funds from their home to make repairs or improvements to the property. It does not become repayable until the ownership of the property is transferred or sold and there are no monthly repayments

Since its inception in 2009, 31 loans have been approved.

### **Decent Home loans**

York provides loans to encourage landlords to invest in their properties. York's Houses In Multiple Occupation inspection program is now into its fifth year but there are still properties which require inspection. Our stock condition survey in 2008 found that this sector continued to be the worst sector, with more than 37.2% of the properties found to be non-decent and the category 1 hazard rates were significantly higher at 21.1%, compared to 9.5% in all properties. The loan limit is 50% of the cost of the eligible works up to a maximum of £4,000. Last year, three loan applications valued at just over £9k saw landlords invest a further £12K.

Whilst the stock condition in the private sector is relatively good, there is a need to continue to improve decency, tackle fuel poverty and improve energy efficiency within the sector as the stock condition depreciates each year.

### ***Empty Properties***

York does not have a significant issue with empty properties. The Private Sector Stock Condition Survey 2008 revealed that less than 1% of the stock at 641 dwellings was empty at the time of the survey.<sup>51</sup> Since then the number of empty properties has continued to decline and the HSSA 2009 submission showed empty properties at 443. The number of properties in York that have been empty for more than 6 months is considerably lower than for other smaller authorities within the North Yorkshire area, in particular Harrogate with over a 1000 and Scarborough at 940.<sup>52</sup>

In June 2010 whilst official records showed there were under 420 long-term empty properties in York, representing 0.5 per cent of overall housing stock. These properties were visited 136 were found to be vacant for good reason, such as awaiting probate or the subject of ongoing work. Of the remaining 279, some were now occupied by the owner or being rented out. We estimate a more accurate level of long term empty properties in York is less than 250, or 0.3% of the existing housing stock. Whilst the level of long term empty properties in York is very small compared to other areas, we must continue to work with owners to return properties to use where we can. We will continue to use a combination of encouragement, support and enforcement action. Returning long-term empty properties back into use can be a long, intensive process and a balance always needs to be struck between the resources invested and likely outcomes.

### ***Housing Need Supply and Demand***

Housing need and housing demand in York is high. The York Strategic Housing Market Assessment (SHMA) 2007 put the figure at 1,218<sup>53</sup> new homes per annum to meet future affordable housing need, including addressing the backlog of need. The figure for a balanced housing market was 929 new homes per annum. In terms of future housing type, the SHMA 2007 concluded that the type of housing required across all tenures to meet future needs should be split 64% houses (either 2 or 3 bedroom) and 36 % flats.<sup>54</sup> There are variations on that percentage depending on tenure type. For example, demand for houses is highest amongst those seeking social rented accommodation (72%) followed by market housing (66%); demand for houses in the intermediate tenures is the lowest at 53%.<sup>55</sup> The majority of future housing provision should be either 2 or 3 bedroom (29% for each type) followed by 1 bedroom and 4 bedroom properties (21% for each type).<sup>56</sup>

A housing target of 850 new homes per year was set by the Regional Spatial Strategy, which has now been abolished. This figure represented a policy of relative restraint compared to household projections of over 1200 new households per year. A recent report by Arup to support the LDF Core Strategy concluded that the 2006 based household projections were based on trends associated with boom conditions and they may overstate requirements. They concluded that the 2003 based household projections were more representative of an economic cycle and are therefore likely to be more soundly based (780 - 800 a year). Clearly if our new house building is below the latest household projections this will temper the levels of population growth predicted.

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<sup>51</sup> EBSI: Figure 16 Housing Occupancy; Private Sector Stock Condition Survey 2008

<sup>52</sup> EBSI: Table 30 Empty Dwellings North Yorkshire 2008- source HSSA 2008

<sup>53</sup> EBSI Table 31: Annual Shortfall of Affordable Housing Shelter's Housing League Tables 2010

<sup>54</sup> EBSI Figure 17: Types of housing required all tenures SHMA 2007

<sup>55</sup> EBSI Figures 18,19,20 Demand for Housing by tenure Source SHMA 2007

<sup>56</sup> EBSI: Figure 21: Number of Room required across all tenures SHMA 2007

To meet housing demand between 2004 and 2008 there have been 3,838 residential completions<sup>57</sup> in York, (approximately 677 dwellings per annum) of which 601 have been affordable,<sup>58</sup> with a further 4,431 properties with consent or partially complete.

Key to the provision of additional homes to meet demand is land supply. York has identified sufficient sites to accommodate housing demand up until at least 2021/22 and include developments on York Northwest, Derwenthorpe, Terrys, Nestle South and Hungate. The challenge is therefore to identify sufficient land to meet demand against the constraints such as York's historic fabric, transport infrastructure and green belt policies.

With regards to the demand for social housing, there were 3,234 applicants on the council housing waiting list (August 2010), of which 591 are already living in council housing. The majority of applicants, 887 are requesting 1 bedroom; 894 2 bedroom; 365 3 bedroom properties and 88 are requesting more than 3 bedrooms.<sup>59</sup>

### **Affordability**

The provision of affordable housing is a key priority and this is reflected in York's Sustainable Community Strategy and York's Housing Strategy. York is a high demand, high value housing area. At around £183,000, average house prices are considerably higher in York than the regional average of £126,000 and the England and Wales average of £126,000.<sup>60</sup>

Affordable housing is scarce and the gulf between house prices and earnings is significant making home ownership outside the means of many aspiring first time buyers. The house price affordability ratio in York is 7:42 compared to North Yorkshire at 7:30 and England at 6:28.<sup>61</sup> As a consequence of high house prices and relatively low-income levels, affordability is a huge issue.

Private sector rents are also high in York. Entry levels of rents in the private rented sector (£126 for a 1 bedroom property) are more than twice as high as rents in the social sector (£63 for a 1 bedroom property).<sup>62</sup> In turn, this makes it imperative that the York seeks to make best use of social rented stock and finds ways to use both the private rented sector and the owner-occupied sector to address local housing needs.

A particular challenge is also to ensure additional affordable homes in rural neighbourhoods, promoting sustainable villages containing a mix of household types able to support a range of local amenities such as shops, schools and other services. We must continue our work to highlight rural housing needs and work with local stakeholders to identify land for new homes.

In terms of providing housing in the city there has been a slow down in development activity in recent years due in part to the economic recession. This has had an impact on the number of affordable homes being built as many were delivered through private developer contributions. In recognition of the economic recession, York's LAA target was revised from 280 to 146 for 2009/10. In 2009/10, York completed 130 new affordable homes - slightly

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<sup>57</sup> EBSI Table 32: Residential Completions Source: LGY& H 2010

<sup>58</sup> EBSI Table 33: Affordable Housing Completions Source: LGY& H 2010

<sup>59</sup> EBSI: Table 34: Council Housing Waiting List Statistics August 2010

<sup>60</sup> EBSI Table 35: Average house price per property :Land Registry May 2010

<sup>61</sup> EBSI Table 36: House Price Affordability ratios HCA 2010

<sup>62</sup> EBSI Table 37: Average Rents by Property Size: Hometrack June 2009 & York Housing register

short of the revised LAA target but considerably short of the SHMA recommended number of 1,218 affordable homes.

The coalition government has abolished ‘top down’ regional housing targets and is looking to local communities to play a bigger role in new housing supply through the planning process. Government funding for new affordable homes was significantly cut as part of the Comprehensive Spending Review 2010 and as a result we can expect much reduced grant rates at the local level. Instead, social housing providers will be able to offer ‘affordable rents’ at around 80 per cent of the local housing allowance rate to help bridge funding shortfalls. The government has said it expected the new rent policy would allow ‘up to’ 150,000 new homes to be built over the four-year spending review period. A ‘New Homes Bonus’ scheme has also been announced to reward authorities that deliver housing growth, with added incentives for affordable homes. Planned reform of the council housing finance system could also give rise to new opportunities for additional supply. We will explore these ideas and others to maximize additional housing supply.

York is a high demand, high value area; the provision of affordable housing in York is a key priority.

### ***Under Occupation***

As with most towns and cities under-occupation is a significant issue. York is no different and we know that around 40 per cent (30,402) homes in York are currently under-occupied. (3 and 4 bedroom properties).<sup>63</sup> By far the largest proportion of these is in the owner-occupied sector, particularly older households<sup>64</sup> with a lower but still a significant proportion (1,500) in the council housing sector identified through customer profiling information. This signals a need for York to make best use of its existing stock and develop downsizing initiatives. In 2009 York piloted a successful downsizing scheme, Tangle Tree Court.

In 2009 City of York Council piloted Tangle Tree Court downsizing scheme to tackle under-occupation. Working with Yorkshire Housing Association and the Golden Triangle Partnership, 6 two-bedroom flats and 5 three-bedroom houses, all for rent, were built on a former difficult-to-let garage site. Six mostly older households in council accommodation were supported to downsize, from family homes releasing three or four bedroom council houses, to the flats at Tangle Tree Court more suited to their housing needs.

To assist with moving costs the council, utilizing £30,000 of Golden Triangle Partnership monies, assisted residents financially with moving costs and by providing new carpets, curtains, white goods and furniture. A support worker supported residents through each stage of the move.

The project also enabled six families on the York Housing Register to take up the much-needed family homes. No one was forced to move. Residents came forward voluntarily once they saw the quality apartments being offered by Yorkshire Housing Group. The council will seek to replicate the scheme in future.

York has a significant under-occupation issue in the city particularly in the private sector with an estimated 40% (30,402) of properties currently under-occupied.

<sup>63</sup> EBSI Table 38 Under-Occupation by dwelling size SHMA 2007

<sup>64</sup> EBSI: Figure 22 and 23 Under-Occupied Households SHMA 2007



## **Homelessness**

Over recent years, York has been proactive in tackling the causes of homelessness. As a result there has been a significant decline in the numbers of people presenting themselves as homeless<sup>65</sup> and the number living in temporary accommodation has significantly reduced from 209 (March 2008) to 79 (March 2010).<sup>66</sup>

Arc Light, the provision of a state of the art 'Places for Change' accommodation for rough sleepers, was opened in 2008. The facility is a joint initiative between Arc Light, York Housing Association and City of York Council. It offers emergency accommodation for single men, women and couples without children. The building has 39 bed spaces, predominantly single en suite rooms, one room with disabled facilities and a number of twin rooms. There are 4 emergency rooms which are not en suite. In addition there are specialist meeting and counselling rooms, and associated training, education, health, fitness and community facilities.

### **Young Persons' Homelessness**

Whilst York has significantly improved its performance on preventing homelessness, within these figures there are still too many young people coming through the homeless route and too many vulnerable households such as those with mental health problems, drug or alcohol misuse or leaving prison.<sup>67</sup> This is borne out by feedback from CAA in 2009. *'The council has been successful in dealing with homelessness, with the number of families living in temporary accommodation decreasing by a fifth, although homelessness of young adults remains relatively high'*.

The shift in focus and investment over recent years has been towards preventing homelessness arising in the first place. York has transformed housing advice and information services to take a more holistic approach to household needs. This ensures young people can make planned moves when going through periods of transition. York's priorities are to ensure more joined-up assessments and interventions are in place to identify young people most at risk, including putting in place more mediation and early prevention work with families. This work sits alongside wider work, reducing the number of teenage pregnancies and supporting young people into education, training and employment.

There needs to be an ongoing focus on reducing the use of temporary accommodation, particularly for the young and more vulnerable. Of the 16-17 year olds placed in temporary accommodation, 65% fail their tenancies. Our aim is for all 16-17 years olds to be accommodated through specialist, planned housing provision. A priority is to develop a dedicated young persons' direct access hostel or foyer project. City of York Council's Housing Services have been working in partnership with Yorkshire Housing to secure funding for the provision of a young persons' foyer offering accommodation, training and employment opportunities to take young people out of homelessness. The provision of a foyer is a key priority of the city and is included within the council's Corporate Plan, Housing Strategy and Homeless Strategy.

Whilst homeless preventions have improved overall, there are still too many young people coming through the homeless route. A priority is to develop a young persons' direct hostel or foyer project.

<sup>65</sup> EBSI: Figure 24 Number of People Presenting as Homeless P1E

<sup>66</sup> EBSI: Figure 25 Numbers in Temporary Accommodation P1E

<sup>67</sup> EBSI: Figure 26 Young People accepted as homeless PE1

### ***Housing Needs Of Older People***

In terms of meeting the housing requirements of older people there are about 54,500 older people in York (55+), some 28% of the total population (comprising about 30,000 older person households) and this is expected to increase by over 30% in the next 20 years.

York commissioned an Older Persons' Housing Needs Assessment in 2009. The study revealed that the majority of older households wish to remain in their own home, remaining independent for as long as possible. However, only about half of those who needed adaptations enabling them to remain independent actually have them,<sup>68</sup> signalling a need for more stay-at-home services such as aids and adaptations.

As outlined earlier, the average income of older person households is less than half the level of income of other households but they have a higher levels of savings (an average of £13,720 compared to £2,381 for other households) and equity (an average of £162,905 compared to £113,283 for other households). Therefore equity release must play a bigger part in sustaining people's independence in future, with any public support limited to the most vulnerable households.

For those older person households who expressed a preference for moving within the next 2 years, the majority (70.9%) wanted to move to ordinary accommodation but almost a fifth (521) expressed a preference for sheltered housing with a warden.<sup>69</sup> In terms of sizes of accommodation required, half of households expressed a preference to move to a two bedroom property and almost a quarter to a three bedroom property.<sup>70</sup>

Current provision of older persons' specialist accommodation in York consists of three main types: housing with support, extra care housing with support and residential homes. Altogether there are 83 schemes across the city, with a total of 3,103 units of specialist accommodation. About half of these are in the private sector and half are owned by the council or RSLs/charitable bodies.<sup>71</sup> The study also concluded that within homes offering greater levels of support, such as sheltered, extra care and residential care, there is under-provision of affordable two bedroom accommodation and an over-supply of one bedroom and that the net need for affordable, specialized accommodation over the next two years is for 46 extra units per annum and in five years this would rise to 64 units per annum.<sup>72</sup>

Whilst our research found a 'need' for additional affordable, specialist provision this does not necessarily square with what we know about demand for our own housing stock. We need to understand much better what people mean when they state a need for sheltered or specialist housing, given the growing success in supporting people to stay at home. We know that much existing affordable specialist housing is becoming obsolete due to changing aspirations and there are ongoing vacancies in some schemes. We must review current provision in light of this and explore new ways to improve the outcomes for older people.

The housing preferences of older people have influenced the development of York's Older People's Housing Strategy 2011-2015.

To address some of the housing needs of older people City of York, in partnership with Tees Valley Housing group and Yorkshire Housing Association, secured over £10m of HCA

<sup>68</sup> EBSI Table 39: Older People Households needs adaptations by age group Fordham research 2007

<sup>69</sup> EBSI: Table 40 Older person household –aspirations and expectation re accommodation type of next move Fordham research 2007

<sup>70</sup> EBSI: Figure 27 Size of accommodation preferred by older people Fordham Research 2007

<sup>71</sup> EBSI: Table 41 Older persons' specialist accommodation current provision City of York Council 2009

<sup>72</sup> EBSI; Table 42 Need for Older Person Specialist Accommodation Fordham Research 2007

funding to demolish Discus 1997s prefabricated bungalows occupied by elderly council housing tenants and replaced them with 196 affordable homes.

### **Discus Bungalows Regeneration case study**

City of York Council, working in partnership with Tees Valley Housing Group and Yorkshire Housing Association. secured over £10 million of HCA funding to regenerate three sites in York, Ann's Court, Richmond Street, and Regent Street Discus 1970s prefabricated bungalows occupied by elderly council housing tenants.

The regeneration of these sites will be completed during 2012 and will see the development of 196 affordable homes. The scheme will include the demolition and replacement of the original bungalows and the development of an extra care home providing 41 two bedroom apartments. The scheme will also see the development of other affordable homes across the sites which will include a mix of discount sale and affordable rent. There will also be the inclusion of 47 intermediate rented properties which will eventually revert to open market sale. The housing in each of these developments will include a mix of 2 bedroom bungalows, 2 bedroom apartments and 2, 3 and 4 bedroom houses.

**The extra care scheme Arden House** is due for completion in 2010 and is the first purpose built extra care housing development in York for those aged over 55. The housing provision is supported by 24 hour support if and when needed. The scheme also comprises community facilities including a hairdressing salon, a café and a shop. A personal care service is available for residents and the services on offer are open to the wider community.

2011-2012 will see the final phase of the regeneration project coming to fruition.

The Older Persons' Housing Needs Assessment has revealed that the majority of older people wish to remain in their own homes signaling a need for stay-at-home services such as aids and adaptations. For those people wishing to move, the majority wanted to move to ordinary accommodation, however a fifth expressed a wish to move to sheltered housing with a warden. Those expressing a wish to move have a preference for two bedroom accommodation.

### ***Housing Needs of People with Learning Disabilities***

York's JSNA 2010 suggests that there are between 3,280 and 4,100 people with a learning disability within the city. Currently there are 507 adults with learning disability known to social services. According to *Valuing People Now*<sup>73</sup> 55% of people with a learning disability nationally live in the family home, 30% live in residential care and 15% rent their own home. In York, 27% of people known to social services live in the family home and only 11.8% live in residential care. Around 70% of people in the general population own their own home yet in York only 0.2% of people with a learning disability are owner-occupiers.<sup>74</sup> In line with government policy 'Valuing People Now Study' a key policy objective is to widen housing choices to people with a learning disability 'those people who commission services for

<sup>73</sup> *Valuing People Now: A new three-year strategy for people with learning disabilities*, Department of Health, 2009, 3.18 page 79

<sup>74</sup> EBSI: Table 14 Tenure of People with Learning Disabilities Source: A Housing Plan for Adults with Learning Disabilities 2010 - 2017

*people with a learning disability should consider how they can develop creative solutions to meet the housing aspirations of people with a learning disability including being supported to live in the community in their own homes as owners through the government's HOLD scheme*'. The Council are keen to increase the provision of housing for people with Learning Disabilities through Seventh Avenue supported living scheme, home ownership and Learning Disability Transitions shared housing provision.

More needs to be done to widen housing choices for people with learning disabilities including supporting people achieve their own tenancy or owner-occupation.

### ***Families with Disabled Children***

Since 2007, as a consequence of the removal of means testing families with disabled children for significant adaptations, there has been a disproportionate impact on York's adaptation budget to meet the needs of families with disabled children who often have very complex needs. In order to meet demand, York has increased its own contribution to the adaptations budget and introduced other initiatives to look at meeting needs in different ways e.g. relocation into more suitable housing.

The adaptation's budget needs to support meeting the needs of families with disabled children

### ***Student Households***

Student households represent a significant and growing proportion of all households in York. Whilst many students live in university accommodation, many more live in the wider community, mainly in private rented dwellings. Whilst students are regarded as a valuable asset to the city, contributing heavily to the York economy, there has been debate about the impact student households have on the wider housing market. Part of the debate has centered on the impact concentrations of student households can have on the sustainability of host communities. A study completed in August 2010 suggests the impact of student homes had on a range of environmental indicators was minimal, even when concentrations were over 25%, as they are in one ward in York. Further work is required to understand the impacts below ward level e.g. street or super-output area.

A review of student housing in York, to include spatial mapping of communities and environmental impacts is required including a review of planning policies in light of this work

### ***Accommodation Needs of the Gypsy and Traveller and Showpeople communities***

In 2007 research was commissioned into the accommodation needs of the Gypsy and Traveller community living in North Yorkshire. The research estimated that there are 1154 Gypsy and Travellers living in York, comprising 364 households. Whilst there are currently 54 pitches in York there is a current shortfall of 36 pitches, however it is estimated that the majority of this shortfall (33) could be met through ongoing pitch turnover. The study concluded that, to meet the projected accommodation needs of the Gypsy and Traveller community by 2015, an additional 19 pitches are required.<sup>75</sup> The study puts a caveat on this figure as no account was taken of Gypsy & Traveller households in conventional housing wishing to move back onto sites. The accommodation needs of the Gypsy and Traveller community has been incorporated into the LDF.

<sup>75</sup> EBSI: Table 6: Gypsy and Traveller accommodation needs assessment 2007/8 based on CLG data 2007

Following on from the accommodation needs of the Gypsy and Traveller community, further research into needs of Showpeople was commissioned by the North Yorkshire Strategic Housing Partnership Board in 2009. Unlike other Travellers, Showpeople travel predominantly for economic reasons, preferring to retain a permanent home base where family members can live all year round, work, attend school and be part of their local community. The study revealed that in York there is a need for an additional 13 pitches to meet the needs of Showpeople.<sup>76</sup> Future growth options are currently being agreed through the Local Development Framework process.

The Housing needs of the Gypsy and Traveller community are not currently being met with the need for an additional 19 pitches by 2015 and Showpeople 13 pitches

### **Advice and Access to Services**

Historically, housing advice and information services have been used mainly by those facing a housing crisis. Quite often there are underlying issues at the root of a person's housing needs, be it worklessness, money or health problems. Recently the council's housing advice and information service has transformed into a 'Housing Options' services. A key priority is to further develop our Housing Options service so that it appeals to a wider range of customers and acts as an effective gateway into a wider range of advice and information. York also suffers from pockets of deprivation. In order to tackle worklessness and/or financial exclusion, a priority is to develop a comprehensive financial inclusion action plan showing priority areas and intended actions.

### **Housing's Future Strategic Priorities**

To tackle the challenges faced by housing, the future strategic priorities are identified within our Housing Strategy 2011- 2015, which also supports the priorities of the North Yorkshire and York Sub-regional Housing Strategy:

- Maximise the supply of affordable general needs housing through new build on major development sites (concentrating on York Northwest, Derwenthorpe, Terrys and Nestle South 2011-2015) and identify appropriate sites to meet provision from 2021 and beyond. City of York Council are also currently in discussions to develop Germany Beck. This is a 700 new, mainly family homes development with 30% affordable housing, on the southern edge of York set within large areas of open space and a nature reserve along the southern boundary with Germany Beck. All homes will be built to high levels of sustainability and developer contributions are being used to improve the local secondary school, as well as sports pitches, multi-use games area, and new sports hall.
- Make best use of existing housing stock and promote sustainable neighbourhoods – attain the Decent Homes Standards, develop and implement housing's Asset Management Strategy, undertake a stock options appraisal of council housing stock, reduce under-occupation, improve the condition of the private sector, in particular improve decency, energy efficiency and reduce the incidences of fuel poverty.
- Support independent living and access to housing advice and services- ensure all homes are built to lifetime standards by 2013, ensure sufficient supply of specialist provision, support adaptations that enable people to remain independent, widen access to a range of housing options through an enhanced Housing Options service and the introduction of Choice Based Lettings
- Reduce homelessness through the provision of comprehensive advice and support and provide specialist accommodation for young people through the provision of a foyer scheme.

<sup>76</sup> ESBI: Table 7: Showpeople future requirements of plots. Showpeople study 2009

## York's Infrastructure

Strengthening York's infrastructure is a prerequisite to achieving the level of economic growth that York aspires to. Building a strategic infrastructure helps create a complete place by providing access and amenities or contributing to the overall sustainability of the existing or new community. Strategic infrastructure i.e. reducing the risk of flooding and strengthening the transport infrastructure is important to the delivery of the economic, housing and regeneration schemes identified in the LIP. It is therefore important that issues such as strengthening flood defence, promoting a sustainable transport infrastructure and tackling carbon omissions are tackled.

### ***Flood Risk***

Flood risk is a particularly important issue for York because of York's river catchment characteristics and the significant amount of rainfall it receives. The city has a history of flooding. Ensuring that new development is not subject to, or contributes to, inappropriate levels of flood is important. It is anticipated that the flooding threat will increase as a result of climate change due to more intense rainfall and increase peak river flows. Reducing the levels of flood risk both in terms of location of new development and also in the design and layout of development is an integral part of the LDF. To protect existing built up areas, funding has been made available through the Yorkshire Regional Flood Defence Committee. The Leeman Road area of the city has received part of this funding to develop new flood embankments to protect the area when the River Ouse bursts its banks. Preliminary work has now commenced with a two year construction project to start in 2011/12.

### ***Travel and Traffic***

York's road network comprises 754km of carriageway and 86 bridges. In addition to this, 21km of the A64 trunk road is within the York authority boundary and is the Highways Agency's responsibility. Extensive analysis has been undertaken to assess accessibility within York to key locations, services and facilities for employment, education, health and leisure. Approximately 50% of people within the York boundary are within five minutes walk of a frequent bus service. York's bus network has remained relatively stable in terms of its geographic coverage, following major changes to the network in 2001. There are several cross-boundary inter-urban bus services, mostly provided commercially. Most bus routes in York follow a radial pattern. Included within this network are five Park & Ride service routes around the outer ring road. As a major tourist destination, York also has a tour bus network around the city centre.

York has a history associated with the railway. It has good central access to several high-quality, long-distance networks and operations. York station has good facilities, plans for future enhancement and is in a central position within the city. The local rail links however are not abundant within the city of York area and the peripheral authorities. Future development areas in relation to the local rail function are the ongoing investigation into tram technology on the Harrogate line and the potential to include York into Metrocard boundaries (mainly West Yorkshire). There is also continued investigation into a new rail station at Haxby to the north of York.

The central area also offers cyclists excellent access across the city within half an hour. Many of the villages just outside the outer ring road can be cycled to in half an hour. York currently has a network of approximately 145km of cycle routes, this comprises of 85km of off-road paths and 60km of on-road lanes. As part of the 'Cycling City York' (2009-2011) project, many of the on-road lanes have been widened where possible to improve the level of provision. Across the city there are also somewhere in the region of 2,500 formal cycle

parking spaces. To support cycling in the city, the council applied for and successfully secured funding to implement 'Cycling City York' a major programme to encourage more cycling across the city. Such work includes a new school safety zone at Millfield Lane.

There is an extensive network of pedestrian routes, especially in the urban and suburban areas. To encourage more walkers in the city, the council and partners have improved footways and space for pedestrians through schemes such as the footway-widening programme.

Dealing with traffic congestion and improving connectivity in and around York is a key priority for us. The current highway network is already congested and public transport mainly uses the same road space as other traffic. Much of the network is constrained by historic buildings, leaving little opportunity for highway improvements. York's transport network faces a substantial increase over the next 25 years from key economic development sites, housing developments and projected employment and population growth. Traffic congestion, accessibility and air quality, reducing the city's carbon omissions by 40% by 2020 and 80% by 2050 in line with Government targets, are particular challenges.

To tackle the transport issues the city faces and develop sustainable modes of transport, York has been implementing the actions contained within the LTP 2 and is in the process of developing its LTP3. The LTP 2 contains schemes that address issues such as the development of an integrated transport network, encouragement of modal shifts away from the use of the private car to sustainable transport modes such as public transport and walking and cycling.

To further reduce congestion, improve connectivity and reduce carbon emissions the council and partners are striving to create three new Park and Ride sites cross the city. To encourage and increase public transport bus use, improvements have been made to bus stops and equipment installed to give buses priority at traffic signals and the council and Network Rail are developing a proposal for a new railway station at Haxby.

### ***Carbon Omissions***

Since 2005, York's carbon emissions from end users have begun to fall from 1.3 million tonnes of CO<sub>2</sub> emissions to just under 1.2 million tonnes of CO<sub>2</sub> emissions. When measured as an average per person, CO<sub>2</sub> emissions from 2005-07 have reduced from 6.9 to 6.1 tones.<sup>77</sup> To meet government climate change targets by 2050 to reduce CO<sub>2</sub> omissions by 80%, York needs to reduce its CO<sub>2</sub> emissions from 1.2 million tones to 260,000 tonnes, reducing the average person CO<sub>2</sub> emissions from 6 tonnes to around 1 tonne.

To further reduce CO<sub>2</sub> omissions in line with Government targets, York has developed a Climate Change Framework 2010-2015 and a three year action plan 2010-2013. York has also made a commitment to ensure that all new buildings in the city are built to high environmental standards and, where feasible, generate energy from renewable sources on site. Examples include the council's award winning Eco Business Centre and Eco Depot. To encourage residents to reduce their carbon footprint, we will continue with the city's 'Sustainable City Education' programme supporting schools and communities to tackle climate change and tackle fuel poverty. Through our Green Streets Challenge, we will work with certain streets across to city to reduce the amount of carbon households emit.

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<sup>77</sup> EBSI Table 43: 2005-2007 Carbon Reduction Omissions: Source DECC 2009

***York's Infrastructure Future Strategic Ambitions***

- Develop and implement the LTP3. One of the objectives will be to deliver quantifiable reduction in greenhouse gases within the city's networks. This will also link into the emerging Low Emission Strategy that will look to reduce emissions from transport not only for CO2 but for nitrogen oxides and particulates.
- The council is also progressing the ' Access York' project through the Department of Transport Major Scheme Bid process. The Access York project will create a step-change in transport provision in the city by enhancing critical elements of the city's infrastructure and enabling additional integration of travel modes. The £67.8 million project (subject to the availability of funding) will be implemented in two phases. Phase 1 concentrates on providing three additional Park and Ride sites and further improvements to the A59/A1237 outer ring road roundabout. Phase 2 concentrates on improving the remainder of the A1237 outer ring road and the provision of sustainable transport infrastructure across the city. These initiatives aim to reduce car usage, encouraging people to transfer to public transport options and to improve the flow of traffic and reduce journey times.
- Seek funding to ensure more use will be made of the city's rail network, along with a longer-term aspiration for a tram train service on the York to Harrogate line. This would ideally contain a link to Leeds Bradford airport in order to address the relatively poor public access to the closest airport.
- Improve the bus interchange at York station, ensure better access for cyclists, reduce travel times and develop proposals for high speed rail in the area, all of which will aid connectivity and develop the rail services in the area.
- Implement York's City Cycling Programme
- To continue to reduce the effects of congestion on speed and reliability of bus routes. Park and Ride will continue to be a key element of parking policy.
- Seek to ensure that new development is not subject to, nor contributes to, inappropriate levels of flood risk from the Rivers Ouse, Foss and Derwent and other sources, taking into account the likely impacts of climate change.
- Implement the council's Climate Change Strategy



## York's Quality of Place

York's built and natural environment forms an important part of its character. York's quality of place is significant in attracting economic growth and attracting and retaining people with the relevant skills.

The City's unique historic character and setting is an essential component of its future success as well as being valuable in its own right. York Minster is England's largest surviving- medieval church and the largest gothic cathedral in Northern Europe. There are around 1800 listed structures in the city, with 22 scheduled monuments including the city walls, Clifford's Tower and St Mary's Abby which make a significant contribution to the city's character.

York also provides a wide variety of leisure facilities throughout the city including four theatres, museums, music venues and two cinemas. However there is an identified need in York for a new city-centre swimming pool and a community stadium which will cater for a range of community uses as well as being a home for the city's professional teams - York City football Club and York City Knights Rugby Club.

York has a unique green infrastructure which includes eight sites of special scientific interest along with locally important sites for nature conservation and recreational open space. It has an extensive network of open spaces including eight formal local parks, allotments and children's playgrounds. York's Open Space, Sport and Recreation Study (PMP2008) identified that, whilst in general the quality of open space within the city is good, there are concentrations of poor and average sites and a shortfall in the provision of open space, in particular access to open space for young people.

### Future Strategic Ambitions

#### ***A Cultural Quarter - A cluster of high profile developments***

- The City Art Gallery will be transformed with new galleries and a major extension.
- Following redisplay of the Yorkshire Museum, the gardens will be opened up with new walkways, interpretation and facilities.
- The Theatre Royal will expand into the De Grey rooms providing exciting new facilities and programmes.
- The Minster Revealed project will create major new visitor facilities at York Minster to accompany the restoration of the east window.
- The National Railway Museum will be revamped with an exciting redevelopment of its Great Hall.
- Following the transformation of York Library into York Explore, a phase 2 will create a state of the art City Archive and local history facility.

#### ***York: City of Festivals:***

- York will host a vibrant programme to celebrate the 2012 games and at the same time mark 800 years of the city's charter in 2012.
- We are bidding to become a UNESCO Creative City.

***New facilities:***

- 2012 will see the opening of a new short-course competition standard swimming pool and associated fitness facilities in partnership with the University of York.
- The new Barbican Centre will open in 2011 offering a broad range of music and entertainment.
- We will complete the 'Playbuilder' programme of play area improvements across the city.
- We are continuing to improve the city's parks and open spaces and will be aiming for a sixth Green Flag for our facilities.
- Our football facilities development plan will deliver enhanced community sports facilities across the city.
- We will deliver two more Explore Library Learning Centres.
- A new community stadium will provide a wide range of community facilities for sport, recreation and learning as well as a home for the city's football and rugby clubs.

## Section 5: Geographic and Thematic Priorities for Investment 2011-2015

Having considered York's strengths, challenges and long-term ambitions, this section sets out the geographic and thematic investment priorities for the next four years 2011-2015 required in York to address some of the challenges and issues the city faces arising out of the evidence base assessment.

Each investment priority outlines how housing investment will not only meet the housing needs of the city and housing needs of vulnerable groups but also how this investment supports economic growth and regeneration, tackles deprivation and contributes to meeting the strategic infrastructure needs required to enhance York's 'quality of place' and to strengthen its role within the region and sub-region. Table 1 (**page 65**) highlights the contribution the geographic and thematic priorities make to addressing the following strategic priorities of the LIP:

1. Support economic growth and infrastructure development.
2. Deliver new housing. including maximising affordable homes.
3. Make best use of existing stock.
4. Support independent living and access to advice and services.
5. Tackle and prevent homelessness, particularly young persons' homelessness.

### ***Prioritising Capital Investment***

If investment is forthcoming from the private sector and HCA to deliver the geographic and thematic priorities identified in the LIP as well as supporting economic growth it will lead to:

- 1,424 new homes. (excludes housing provision arising from the development of York Central and British Sugar sites (York Northwest). 746 will be affordable, 137 will be delivered without public subsidy and 609 with public subsidy).
- 5,349 properties in the private sector reaching the decency standard.
- 625 properties being specifically adapted to support independent living.

The Resourcing Plan (**page 66**) identifies investment requirements and projected leverage investment.

## Geographic Priorities

### *Support Economic Growth and Infrastructure Development*

York has a strong economy, however there is higher reliance on public sector employment and the need to increase private sector growth particularly in the knowledge-led economy, financial, professional and tourism service areas to rebalance the economy in response to the contracting public sector. Over the four year period 2011- 2015, the LIP's geographical priorities concentrate on York's main urban centre (**see key diagram Figure 1**) which has a number of key commercial and housing development opportunities in the following four sites: York Northwest (York Central and British Sugar); Derwenthorpe; Terrys and Nestle South.

These developments will help mitigate the challenges York faces with population growth and assist in supporting York's competitive strengths to ensure continued economic success. These developments also support the continued success of higher education in the city, changes to the workforce to improve the skills to work in a diverse and modern economy, an increase in the provision of housing (especially affordable housing) and improvements to the quality of the city's transport infrastructure to improve connectivity and tackle congestion within the city.

#### **York Northwest**

York Northwest is the largest and most significant regeneration area in York. It starts immediately to the north and west of York's historic centre and railway station and stretches to the outer ring road. It comprises two brownfield development sites, York Central and British Sugar, linked by a strategic road and rail transport corridor. It is a £930 million project and is comprises the two largest development sites that will be seen in York in our lifetime. Their delivery will help York to fulfil its regional and sub-regional role. It has also been designated as one of four Urban Eco-Settlements in the Leeds City Region - a local response to the Eco-Towns Initiative - where high sustainable development standards will be pursued.

York Central is significant for York's economic growth particularly around financial services, tourism and higher added-value business and will have a key role in enhancing York's future office, commercial, leisure and retail offer in a new urban quarter. Economically it will allow York to fulfill its regional and sub-regional role. The site also has the potential to make a significant contribution to meeting the city's need for homes with potential for around 1800 new homes of which 25% would be affordable and funded from Section 106 contributions under the council's new Affordable Housing Dynamic Model or 30% (to be topped up from other funding sources) if we were to meet affordable housing standards set out in the Eco-Town Planning Policy Statement. Homes would be built to at least Code Level 4 with some properties built to Code Level 6 if funding from the DCLG or other funding sources such as HCA was forthcoming. If the numbers of affordable housing aren't able to be met, we would look to use our 'section 106 additonality pot' that has been requested. The mix of housing will include for the provision of three and four bedroom houses and a mix of one and two bedroom flats.

This development will provide new employment and training opportunities, maximising links with the University, Science City York and the Construction Academy. A key focus of the economic development programme will be to support skills development and address deprivation and lower than national and industry average salaries by providing local people with employment opportunities in the growing employment sectors.

The development will be an exemplar of sustainable development. This will include outstanding sustainable design, use of sustainable technologies and prioritizing access by sustainable transport modes. As an Urban Eco-Settlement it will have exemplar levels of open space.

A partnership approach to develop this site is being undertaken with City of York Council, major landowners (including the York Central Consortium) and other key stakeholders. It is anticipated that the overall programme will be delivered over a 15-year timeframe.

British Sugar is a 35 hectare site that has become available with the closure of the sugar beet factory. The owners ABF have commissioned master planners to come up with a new high quality and sustainable residential neighbourhood. They are working collaboratively with the council to achieve the early delivery of the site as a critical way of helping to meet the city's housing needs.

## **York Central**

- 1,800 new homes (450 affordable at 25%) built to at least Code Level 4 with some properties built to Code Level 6 subject to DCLG or other funding.
- Between 87,00 sqm and 100,00 sqm of office floor space in a new office quarter.
- A sustainable approach to transport provision including the provision of a new Park and Ride facility linking with the city centre and new bridge infrastructure.
- High standards of sustainability across a range of areas including water, cycle and energy efficiency.
- Providing the public realm around the cultural/tourism offer focused on the National Railway Museum.
- Provision of a green infrastructure which links with the wider green network and green corridor, reaching into the city centre.
- Creation of approximately 7,300 jobs.
- The provision of a new primary school. New social infrastructure to serve the new community.

## **British Sugar**

- 1,300 new homes (325 affordable at 25%) built to at least Code Level 4 with some properties built to Code Level 6 subject to DCLG or other funding.
- A sustainable approach to transport provision.
- High standards of sustainability across a range of areas including water, cycle and energy efficiency.
- Provision of a green infrastructure which links with the wider green network.
- The provision of a primary school.
- New social infrastructure to serve the new community.

## **Funding**

These two sites are significant strategic priorities for York. In terms of the HCA 'ask', York Northwest is included within the Leeds City Region Local Investment Plan but is illustrated in this Local Investment Plan to demonstrate the significance of the development to York.

## Derwenthorpe

Derwenthorpe is a natural extension to York and is located on the east side of the city between the existing communities of Osbaldwick, Heworth and Tang Hall. City of York Council and Joseph Rowntree Foundation have been working together to realise the creation of a £35 million (with potential HCA funding of £8,960,000) highly sustainable, community focused development that will establish close links with surrounding areas and become a beacon for York and the whole of North Yorkshire. Planning permission for the development of 540 homes of which 216 are affordable homes (135 to rent and 81 part ownership) was granted in May 2007 offering tenure options covering all financial circumstances.

In terms of project development the following have been undertaken/completed :

- The proposed development has been subject to widespread public consultation and participation throughout with an informal three-way partnership between JRHT, the council and the community.
- Master Plan for the site has been developed. In 2007 School of Architecture and the Built Environment, University of Westminster, were commissioned to undertake an audit of the master plan to assess its relevance to current best practice. The team's overall conclusion was that Derwenthorpe represented a development of a very high standard across the piece; design quality, environment, housing mix, management and sustainability, long term commitment and community development. '
- Section 106 has been agreed.
- Planning permission has been granted.
- The land sale of the site to Joseph Rowntree Housing Trust has been completed.
- Ipsos MORI were commissioned 2010 to undertake soft market testing with potential buyers on proposed design. Positive response top five features were: space standards 10% more than average house builders, safe play areas, energy efficiency and energy centre, more natural light provided within the home.
- In response to changing market conditions, the scheme now includes an Energy Centre to provide a cost-effective and sustainable energy supply to the affordable and market housing.

## Projected outputs

- Creation of a village of a high quality, an inclusive sustainable community that will establish close links with surrounding areas and become a beacon for York and the whole of North Yorkshire.
- Create a truly mixed-income tenure community with around 540 homes, including 135 to rent, 81 in part ownership, and homes for sale at varying prices. An affordable housing neighbourhood plan will be used ensuring that social rented and low cost homes will be genuinely integrated into the development.
- Provide high-quality, eco friendly, energy efficient homes that are well managed and maintained, including Lifetime Homes for people of all ages and needs. Each home will be environmentally efficient. The target is to achieve 'Eco Homes Excellent'/Code for Sustainable Homes level 4 standards in the early phases with potential to target even higher standards with the provisos of a Bio Fuel Energy Centre and Sustainable Urban Drainage Scheme. Reduce the dependence on car ownership through initiatives such as car clubs, more use of cycles though the provision of a cycle path linked to wider cycle networks and having regular bus services.

- Provide 18 acres of public open space, including ponds, trees, designated wildlife habitats and numerous play areas. JRHT will provide the long-term commitment to management of affordable housing, open space and communal facilities.
- A pro-active community development programme supported by a community fund, support and development links with schools (JHRT Director is already on the Board of the local Secondary School ) and innovative management of community assets through a Community Development Association.

<b>Funding Streams</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15 and beyond</b>	<b>Total</b>
HCA (Derwenthorpe)	£500,000	£975,000	£1,580,000	£5,905,000	£8,960,000
Private Sector					£26,085,000
<b>Total</b>					<b>£35,045,000</b>

## **Terrys**

Terrys is a derelict former chocolate factory on the southern urban fringe of the city next to York Racecourse. The total site area is 10 hectares (24.9 acres). This scheme is a £30 million employment-led mixed-use development that protects the character of the former listed factory buildings and is of exemplary design. It will bring much needed commercial regeneration to York with over 2,000 new job opportunities, as well as 271 decent new homes (including 82 properties (30%) affordable for local people met through section 106 contributions). If the numbers of affordable housing aren't able to be met we would look to use our 'section 106 additonality pot' that has been requested.

The master plan was developed using the project development principles of ATLAS as a guide and with a Planning Performance Agreement in place to ensure consistency and clarity throughout the process.

As well as the new business and other commercial uses (refurbished and new offices, two new hotels, brasserie, gallery) the complementary uses include a local shop, medical facility, crèche, together with areas of public open space and public links to the nearby York Racecourse and surrounding cycle paths.

The scheme looks to relate to the nearby South Bank community both in commercial and community terms. The new local food store, nursery and medical facility are being built along Campleshon Road, which marks the link with South Bank to the north. From here there are safe and attractive pedestrian and cycle routes through to the heart of the development.

The western route through from Campleshon Road will lead past the assisted living accommodation to live/ work units and then to the newly refurbished factory buildings, including the iconic Terrys Clock Tower. Shared public use of this area will be encouraged through ground floor activity – brasserie, gallery, live/ work, hotel.

All homes will be built to code 4 sustainable levels and will sit within traffic-calmed, internal roads as well as public open space and a central children's play area.

There will be safe and attractive links to the local cycle network, as well as to the Race Course to the west. Developer contributions to local schools will ensure good education and

sports provision and other financial contributions will help to make public transport a more attractive option. There will also be a car club on-site and excellent cycle storage facilities.

The outline application was approved by the city council in February 2010. Preliminary work has begun (there is some commercial use of the front buildings) and the first phase of housing development is expected to commence early 2011.

## **Projected outputs**

- Estimated job creation is 2,250 (B1 commercial) and 127 (retail).
- 271 new homes - 30% (82 properties) affordable housing (60% of this for social rent and 40% as discounted sale homes). All built to sustainable code level 4.
- Assisted living accommodation.
- Two new hotels, brasserie and gallery.
- Food store.
- 1 nursery.
- 1 medical centre.
- 1 children's play area.
- Potential HCA funding of £1.76 Million.
- S106 developer contributions, in addition to the affordable housing on-site, include education and local sports contributions, junction improvements and contribution to car club, public transport improvements and cycling facilities/ improvements of/ to local links.

## **Funding**

This is a £30 million private sector development. The affordable housing development is to be met from the existing section 106 agreement.

## **Nestle South**

Nestle chocolate factory is a major, historic employer in the city. Nestle are looking to redevelop a third of their existing manufacturing site in York to reinvest in the remaining factory and secure their future presence in the city. The site is located on the northern urban edge of the city, within walking distance of York Minster and one mile from the railway station and links to the wider city region. It is well accessed by several major bus routes and sits within an existing community which will benefit from the new services and investment created by the development.

Nestle South is a major new residential and business quarter which will regenerate the no longer fit-for-purpose former factory buildings and support Nestle's ongoing role in the city. The total site area is 7.9 hectares (19.5 acres) and an outline planning application was submitted September 2010 for this £20million mixed-use scheme.

The master plan for the site was developed through a joint project team approach and with local consultation. Various options for the site were evaluated and, through detailed discussion and analysis, a mix of uses agreed. These include 220 new homes, mainly family houses, 25% affordable (55 properties) met through section 106 contributions, new and refurbished office floor space, live work units, new retail, assisted living, student accommodation, community centre, gym, and crèche. If the numbers of affordable housing aren't able to be met we would look to use our 'section 106 additonality pot' that has been requested.

A community café will be at the front of the development in the existing listed library building alongside Haxby Road. This will help to provide a welcoming community front to the



development, with public open space leading to a new local food store on the ground floor of the refurbished main factory building. The building will have a new opening which will lead people through to the main housing area either side of a central boulevard, with good seating, landscaping, rest and play facilities.

The intention within the scheme is to encourage integration of families, young people, and older people. There is assisted-living housing as well as town houses, terraces, some apartments, and student accommodation. All new homes will be built to code 4 sustainable standards and home zones (traffic-calmed areas) will be provided throughout the development.

The scheme will be very accessible for the surrounding community and will include safe and attractive cycle links and footpaths. In particular it will link to the existing Sustrans route running along the southern boundary. There will be a bus only access through the site and improved bus waiting facilities along the eastern and western boundaries (Haxby Road and Wiggington Road). A car club will also help to provide alternative options to car ownership on-site. Outline planning application was submitted September 2010 for a mixed-use scheme comprising:

### **Projected Outputs**

- 220 new residential units (25% affordable - 55 properties).
- 4126 sq m of office floor space (refurbished).
- 6498 sq m of office floor space (new build).
- 10 live/work units (502 sq m).
- 1414 sq m of new retail space.
- 4906 sq m of assisted-living space.
- 4575 sq m of student accommodation.
- 1335 sq m of community centre, gym and crèche.
- 136 sq m for community café.
- Estimated job creation is 559 (B1 commercial) and 53 (retail).

In addition to the affordable housing onsite, S106 developer contributions include local education, sports, junction improvements, priority bus measures, cycling links and facilities and car club.

### **Funding**

This is a £20 million private sector development, the affordable housing elements are to be met from the section 106 agreement.

### **Other Potential Development Sites**

City of York Council are also working to realise/ bring forward the following development sites:

#### **Hungate**

This is a major new mixed-use quarter in the city centre with high quality office, residential, retail, leisure and community uses. It provides the opportunity for the provision of a landmark office building within a new community of 720 townhouses and apartments, local retail, restaurants and community focal building. The development is low-car provision with a car club on-site. New foot streets and two new public squares feature within the overall layout which was designed and developed very much through strong community

participation at a community planning weekend. Building design follows a comprehensive design code and statement and respects the characteristics of the area, especially alongside the River Foss and King's Pool nature reserve. The first two of five phases have planning permission and the first phase is fully built and included the provision of 5 open market 4 bedroom, 4 story townhouses. The second phase is due to start later this year (2010) with a 20.38% affordable housing element. ( The housing type is currently being negotiated.)

### **Castle Piccadilly**

The redevelopment of Castle Piccadilly offers the opportunity to enhance the historic, internationally renowned setting of the area whilst also creating a retail-led mixed-use development that builds on the vitality of the city and which can create a new world-class civic space around Clifford's Tower and the Eye of York. It presents huge challenges and opportunities in terms of design and scheme viability, proximity to the scheduled Clifford's Tower, listed Eye of York buildings (Law Courts, Castle Museum), and will need to be of exceptional quality. The council has adopted a Planning Brief to guide the future development of the site following significant community involvement to identify key planning and design objectives and principles. City of York Council is working with Centros as development managers to achieve a commercially viable and environmentally acceptable scheme which respects the local heritage.

## Thematic Priorities

Alongside delivery of our geographic priorities, we have identified a number of thematic priorities, arising from our assessment of needs. The thematic priorities focus on socio-economic issues and support the priorities identified in North Yorkshire and York sub-regional Housing Strategy and York's newly adopted Housing Strategy, which has been translated into the following LIP thematic priorities:

- Deliver new housing including maximising affordable homes.
- Make best use of existing stock.
- Support independent living and access to advice and services.
- Tackle and prevent homelessness, particularly young persons' homelessness.

### *Deliver new housing including maximising affordable homes*

Housing need and housing affordability in York are real issues. As previously identified in our geographic priorities, a number of strategic economic sites incorporating housing growth have been identified. Whilst this will go some way in meeting the shortfall the city faces, more needs to be done. Therefore, working with our partners, we will pursue a number of smaller development sites focusing on increasing the provision of affordable family homes and pursue opportunities to meet the housing needs of the Gypsy, Traveller and Showpeople communities.

We are also looking to develop a number of smaller, council-owned sites over the next four years and believe the best opportunity of funding for these is through a shared "pot" of SHG that can be used either for "additionality" on S106 schemes or in bringing certainty of funding to enable council-owned sites to move forward. In both cases, the funding would be subject to the same scrutiny from the HCA as now regarding value for money, strategic fit etc but, in an uncertain and challenging housing market, flexibility of funding and the ability to respond quickly and with certainty to opportunities that arise is essential.

As part of the HCA's mini bid round September 2010, we successfully secured nearly £1 million to deliver two affordable housing initiatives outlined below. This investment will deliver a total of 35 two and 3 bedroom affordable family homes.

**Lilbourne Drive** - This development taken forward by the council will provide rented family homes comprising 19 houses split between 9 two bedroom and 10 three bedroom homes built to Sustainable Homes Code Level 5. Through the LA Challenge Fund bid, councillors approved the use of council resources to match-fund social housing grant as they saw the opportunity of building council houses again as strategically important for the city. There is cross-party support for this initiative. The pressing need for family-size homes is a priority highlighted in the North Yorkshire Housing Strategy, the council's Housing Strategy, Strategic Housing Market Assessment and Corporate Strategy. On this small development complimentary priorities are at a local neighbourhood level rather than citywide. The development will see the upgrading and re-instatement of a public right of way that connects an existing housing development (300+ homes) with an environmental reserve/open space that lies to the east of the development site. A privately run children's nursery adjacent to the site is likely to benefit from the increase in families with young children the 19 houses will bring thus helping maintain an important local facility and employer.

**Turf Tavern, Thanet Road, Dringhouses, York** - This development provides a mixed tenure infill development opportunity for the provision of 8 family (2/ 3 bedroom) housing. Joseph Rowntree Housing Trust will take the development of the scheme forward.

### **Future Ambitions**

We will continue to seek funding to develop the following affordable housing schemes over the next four years:

**Strensall Rural Exception Site** - The Rural Housing Enabler has been working with the Parish Council, Yorkshire Housing and the landowner to deliver a scheme of 18 new family houses for the village of Strensall. The Rural Exception site is located in the heart of the village with access to all the local services. The high house prices in rural York have priced many people out of their local communities. By responding directly to the housing needs of Strensall, the development will ensure that those in current and future housing need can make a home in their own community.

**Section 106 additionality and development of HRA land sites** - Since 1996 the council has had a robust approach to delivering affordable housing through planning gain on private developments. To date, almost 900 affordable homes have been delivered on private developments without any public subsidy. A further 600 have planning permission. This approach has led to the council being regarded as a market leader in securing affordable homes and was highlighted as such in a recent mock inspection of the strategic housing service.

The policy is rooted in the belief that available public funding should be 'stretched' and only called upon for those developments that cannot be delivered in any other way. In recognition of the challenging current market conditions the council will be using a dynamic affordable housing viability study (AHVS) to determine the appropriate target for affordable housing annually whilst maintaining a long-term target of 50%. Currently, the indications are that a 25% target on brownfield sites and 40% on greenfield sites will be viable in the current market. We are however working with the York Property Forum and developers to test the key assumptions in the model to ensure they properly reflect local circumstances. The AHVS methodology is expected to be approved by the council's Executive in November. The target may be amended if the review of key assumptions leads to any changes.

Our policy will remain that, wherever possible, affordable housing on private developments will be delivered without public subsidy. But, where it can be demonstrated that this cannot be achieved, we will seek to bridge the gap through the use of social housing grant so long as this delivers 'additionality' in numbers of homes and/or increased standards. Because of the continuing uncertainty in the housing market, it is impossible to forecast with certainty which private housing developments will be coming forward in particular years. It is therefore essential that we build in flexibility on where the available SHG funding is spent and we consider the best way of doing so is through an 'additionality' pot that can be used for S106 schemes.

We are also looking to develop a number of smaller council-owned sites over the next four years and believe the best opportunity for funding these is also through the 'additionality' pot of SHG with the flexibility to use this on S106 or in bringing forward certainty of funding to enable council-owned sites to move forward.

**Gypsy and Travellers** - There is a wide range of housing need in York. One of the largest minority groups in York is Gypsies and Travellers. The council, together with neighbouring authorities, commissioned a Gypsy and Traveller Accommodation Needs Assessment 2007/2008 which highlighted a need for an additional 19 pitches in York by 2015. Whilst central funding to support the delivery of new sites has been heavily cut, the government has recently announced additional financial incentives provided to local authorities through the proposed New Homes Bonus scheme. The council will explore options for addressing this need within the emerging Local Development Framework and with our North Yorkshire

partners. The recently agreed Gypsy and Traveller Action Plan outlines how we will work with our partners over the next few years to continually improve sites and the health and well-being of Gypsy and Traveller households.

### Investment and Outputs- Delivering new housing including maximizing affordable homes

Funding 2011 -2015								
Scheme	Affordable homes	2011/2012		HCA 2012/13	HCA 2013/2014	HCA 2014/2015	Total	
		LA	HCA				LA	HCA
Lilbourne Drive	19	£560,000	£560,000	N/A	N/A	N/A	£560,000	£560,000
Turf Tavern	8		£200,000	N/A	N/A	N/A	N/A	£200,000
Gypsy & Traveller	19		£285,000	£285,000	£285,000	£285,000	N/A	£1,140,000
Strensall	18		£540,000	£540,000	N/A	N/A	N/A	£1,080,000
S106 additionality & CYC development sites	173		£1,980,000	£2,400,000	£3,000,000	£3,000,000	N/A	£10,380,000
Total	237	£560,000	£3,565,000	£3,225,000	£3,285,000	£3,285,000	£560,000	£13,360,000

### ***Making Best Use of Existing Stock - developing initiatives to tackle under-occupation, decency and energy efficiency in the private sector.***

Given the constraints we face, focusing solely on building new homes is not the answer. We need to ensure that existing homes are used to best effect and tackle under-occupation, which is a significant issue in York. We are keen to pursue downsizing initiatives, building on our successful Tangle Trees Court downsizing scheme implemented in 2009. We also need to support owner-occupiers and landlords to tackle non-decency in the private sector..

Whilst stock condition in the private sector is relatively good, almost 20% of stock does not meet the decent home standard. To encourage homeowners to address decency and maintain their homes and landlords to invest in their properties, the council, together with partners, has embarked on a number of initiatives including introducing the Area Based Home Insulation Scheme, Hotspots and Home Appreciation Loans (HALS). In addition, York offers both to home owners and landlords the Home Safety Loan and Decent Homes Loan.

York is therefore pursuing funding avenues to ensure sufficient resources are secured to continue with these programmes.

The Government has signalled its commitment to review the Housing Revenue Account subsidy system. Following the outcomes of this review it is the council's intention to undertake a full stock options appraisal of its existing housing stock and develop an Asset Management Strategy to ensure best use is made of its housing stock and HRA land.

***Tackling under-occupation – downsizing schemes***

As outlined previously, under- occupation is a particular challenge in York with around 40% of homes in York under-occupied. By far the largest proportion of these are in the owner-occupied sector, particularly older households. In 2009 we successfully implemented Tangle Trees Court, our downsizing scheme, which allowed 11 household to move to smaller accommodation freeing up much needed family housing. We will seek to replicate such initiatives where possible and develop further incentives to encourage people to free up larger homes. We are therefore keen to pursue a further two downsizing initiatives:

- **Former YWCA site, Water Lane** - The former YWCA has been subject to considerable public and political interest with the local community keen to see the derelict site brought back in to use. The proposals are to create 21 new homes providing a mix of family housing and 2 bed apartments. The apartments will form a bespoke downsizing scheme. This will not only provide new high quality homes but it will also free up under-occupied council housing.

**Empty Properties** - A key priority is to ensure we maintain our low level of empty properties in the city and reduce it further. We have a target to bring 29 properties back into use. Funding will be used to help bring empty properties back into use which contribute to other priorities, for example the property brought back into use being let to people in housing need.

**Private Sector Decency** - A further priority is to continue with our Area Based Insulation, Hot Spot, Home Appreciation Loan, Home Safety Loans and Decent Homes Loan to further tackle non-decency in the private sector and to continue to work with owners to return long-term empty properties back into use through a combination of encouragement, support and, where necessary, enforcement.

**Investment and Outputs -Making Best Use of Existing Stock - developing initiatives to tackle under-occupation, decency and energy efficiency in the Private Sector**

Funding 2011 -2015							
Scheme	Affordable homes	other	HCA 2011/2012	HCA 2012/13	HCA 2013/2014	HCA 2014/2015	Total
Water Lane Former YWCA site	29		£1,740,000	N/A	N/A	N/A	£1,740,000
Energy Efficiency		5,000 properties	£500,000	£1,000,000	£1,000,000	£500,000	£3,000,000
Empty properties back into use		29 properties	£50,000	£80,000	£80,000	£80,000	£290,000
Private sector decency		320 properties	£950,000	£980,000	£1,002,000	£1,005,00	£3,937,000
Total	29	5,349 (improved decency)	£3,240,000	£2,060,000	£2,082,000	£1,585,000	£8,967,000

***Supporting Independent Living and Access to Advice and Services- developing initiatives to support independent living for vulnerable groups including older people and people with learning disabilities***

One of the highest levels of household growth is amongst older households. York's Older Persons' Housing Needs Assessment 2009 revealed the majority of older people wish to remain in their own home. However most of the existing stock does not meet the needs of older people, with much of it requiring some form of adaptation to ensure the occupier can remain safe and independent signalling a need for more stay-at-home services. A key priority is to enable people to repair and adapt their homes and the provision of low-level intervention to support continued independence. We are also keen to support families with disabled children to ensure their accommodation meets their needs and to develop housing options to meet the accommodation needs of people with learning disabilities through initiatives such as HOLD and supported living schemes. This group of vulnerable people are under-represented in tenures such as private renting and home ownership.

We also want to strengthen access to advice and services. Historically housing advice and information services have been used mainly by those facing a housing crisis. Often there are underlying issues that are the root of a person's housing needs, be it worklessness, money or health problems. Recently the council's housing advice and information service has transformed into a 'Housing Options' service. This service seeks to broaden the range of people seeking housing advice but also assess wider needs and help make the links with other agencies to offer related advice and support. A key priority in terms of improving access to advice and services is to further develop our Housing Options service so that it appeals to a wider range of customers and acts as an effective gateway into a wider range of advice and information. York also suffers from pockets of deprivation. In order to tackle worklessness and/or financial exclusion, a priority is to develop a comprehensive financial inclusion action plan showing priority areas and intended actions.

**Deliver Discuss** - To meet the housing needs of older people we have worked in partnership with Tees Valley Housing Group and Yorkshire Housing Association and secured over £10 million of HCA funding to regenerate three sites in York, Ann's Court, Richmond Street and Regent Street where Discuss 1970s prefabricated bungalows are located and occupied by elderly council housing tenants. The regeneration of these sites will be completed during 2012 and will see the development of 196 affordable homes and the development of an extra care home providing 41 two bedroom apartments. The scheme will also see the development of other affordable homes across the sites which will include a mix of discount sale and affordable rent. There will also be the inclusion of 47 intermediate rented properties which will eventually revert to open market sale. The housing in each of these developments will include a mix of 2 bedroom bungalows, 2 bedroom apartments and 2, 3 and 4 bedroom houses.

- Phases 1-4 of the project have already been completed.
- Phase 5 will be completed by the end of March 2011.
- Phases 6 and 7 will be implemented during 2011/12 and will provide an additional 41 units of accommodation for social rent, intermediate housing and discounted sale.
- The finale phase 8 will a further 34 units of accommodation during 2012/13.

### **Future Ambitions**

#### ***Loans and Adaptations***

There is a significant need for more help for older people and people with disabilities to adapt their homes in order that they can live independently for as long as possible. We will therefore pursue opportunities to secure funding to offer a range of housing adaptation options. A further priority is to ensure that new build properties are built to life time home standard to meet the future needs of an ageing population.

#### ***Supported Housing***

The Older Persons' Housing Study also revealed that, within homes offering greater levels of support such as sheltered housing, extra care and residential care, there is under-provision of affordable two bedroom accommodation and an over-supply of one bedroom accommodation. A priority in terms of future supported housing for older people is to increase the provision of two bedroom accommodation. A further priority is to review the provision of York's residential home provision.

#### ***Housing provision for people with learning disabilities***

It is clear that people with learning disabilities are under-represented in tenures such as private renting and home ownership compared to other households. We need to develop greater awareness of these options and support people with learning disabilities into them. We are keen to develop the following housing options to meet the accommodation needs of people with learning disabilities through initiatives such as HOLD and supported living schemes.

**Home Ownership for Long Term Disability (HOLD)** - More needs to be done to offer housing choices to people with learning disabilities including supporting people with learning disabilities to live in their own homes as owners through the government's HOLD scheme. In order to open up more opportunities for home ownership to people with learning disabilities, the council would like to work with partners to provide 7 units of accommodation over the next three years.



**Seventh Avenue Supported Housing Scheme** - The specific scheme does not feature in our geographic investment priorities. It is a small infill site development identified in the council's commissioning plan for learning disability customers and is of key importance in addressing the housing support needs for people with learning disabilities. The scheme will be taken forward by York Housing Association and it makes provision for a 4 person shared supported housing scheme for people with learning disabilities and complex needs. The development provides 4 rooms for individual tenants, 2 specialist bathrooms, communal living room, dining room, kitchen and circulation space and staff accommodation for sleep-in night staff.

**Learning Disability (Transitions)** - We are keen to ensure the accommodation needs of learning disability clients with high needs are met. To this end we would like to provide 3 units of shared housing with support to meet these needs.

**Advice and Support** - In order to improve advice and information, a priority is for us to continue to develop the Housing Options service, linking housing advice with a much wider range of help and advice so that it appeals to a wider range of customers and acts as an effective gateway into a wider range of advice and information.

Funding 2011 -2015							
Scheme	Affordable homes	other	HCA 2011/2012	HCA 2012/13	HCA 2013/2014	HCA 2014/2015	Total
Discus	75		£890,800	£543,200	N/A	N/A	£1,434,000
Home ownership for long-term disability	7		£60,000	£120,000	£120,000	£120,000	£420,000
Seventh Avenue Supported Housing	4		£144,000	N/A	N/A	N/A	£144,000
Learning disabilities transitions	3		N/A	£300,000	£300,000	£300,000	£900,000
Adaptations		600 properties	£975,000	£1,025,000	£1,075,000	£1,125,000	£4,200,000
Disabled support grant		25 properties	£130,000	£140,000	£150,000	£160,000	£580,000
<b>Total</b>	<b>89</b>	<b>625 adapted properties</b>	<b>£2,199,800</b>	<b>£2,128,200</b>	<b>£1,645,000</b>	<b>£1,705,000</b>	<b>£7,678,000</b>

## ***Preventing Young People's Homelessness***

Although the council has been very successful in reducing the number of households in temporary accommodation, there remains a need for specific temporary housing linked to support services for young people. Working with Yorkshire Housing Association, the council is keen to develop a young persons' foyer project. Whilst our application for HCA funding has been unsuccessful, this remains a key priority.

### **Future Ambitions**

**Ordnance Lane Young Persons' Foyer Project** - This young persons' foyer project is required to take the young people out of the homeless route and combine training and employment opportunities, counselling and resettlement with safe and secure temporary housing. This scheme is a priority for the city both in terms of reducing homelessness and improving outcomes for young people. The scheme is identified as a priority in the North Yorkshire sub-regional Housing Strategy, York's Housing Strategy, and York's Homeless Strategy.

The development, subject to the availability of funding, will be taken forward by Yorkshire Housing and comprises the building of 38 new build homes including a young persons' foyer scheme with 20 bedrooms and an 18 home scheme of flats and houses specifically for use as temporary homeless accommodation for families. There will be a direct link from the young persons' foyer to the Castlegate Centre which is a building-based service offering a full range of advice and information for young people including homelessness prevention and mental health and counselling services. The Castlegate Centre is in the same locality as Ordnance Lane, enabling an easy link up between the two services. Environmentally there will be significant benefits to redeveloping Ordnance Lane which fronts one of the main arterial roads into York city centre. The 18 home element of the scheme will replace existing homeless accommodation on this site that does not meet decent homes standards and is not of a type and standard befitting a modern homelessness service. Redevelopment will mean that a planned closure of these homes will be needed and additional temporary accommodation provided elsewhere in the city.

A decanting strategy will be established using existing council housing and utilizing currently under-occupied HRA buildings. A phasing plan for the development will be needed and it is likely the foyer would be built first, thus freeing up existing temporary accommodation used for young people that can then be used in the interim for other homeless households who would ordinarily be accommodated at Ordnance Lane. The houses and flats on the scheme can, in the future, be used for general needs housing and communal garden areas enclosed to be private gardens. The foyer is designed to enable conversion to self-contained flats should this need arise. The location of the scheme, less than a mile from the city centre, on bus and cycle routes and within easy walking distance of two parades of local shops including a supermarket, makes this an eminently sustainable housing development.

Funding 2011 -2015								
Scheme	Affordable homes	2011/2012		HCA 2012/13	HCA 2013/2014	HCA 2014/2015	Total	
		LA	HCA				LA	HCA
Ordnance Lane	38	£1,235,000	£1,235,000	£1,235,000	N/A	N/A	£1,235,000	£2,470,000

**Table 1: Schemes and initiatives contributing to the LIPS Geographic and Thematic Priorities.**

<b>LIP Priorities</b>	Support economic growth and infrastructure development	Deliver new housing including affordable homes	Make best use of existing stock	Support independent living and access to advice and services	Tackle and prevent homelessness, particularly young persons' homelessness
<b>Key development initiatives</b>					
York North-West	✓	✓		✓	
Derwenthorpe	✓	✓			
Terrys	✓	✓		✓	
Nestle South	✓	✓		✓	
Lilbourne Drive		✓			
Turf Tavern		✓	✓		
Strensall		✓	✓		
Water Lane former YWCA site		✓	✓		
Gypsy and Traveller		✓			
Discuss		✓	✓	✓	
HOLD		✓		✓	
Seventh Avenue		✓		✓	
Learning Disability transitions		✓		✓	
Ordnance Lane		✓	✓		✓
Loans & Adaptations			✓	✓	
Private Sector Decency			✓	✓	

## Section 6: Resourcing Plan

The table below sets out the ambition for investment and support for 2011 to 2015 to deliver York's Geographic and Thematic priorities

### Ambitions for Future Investment and out puts

Investment	2011/2012	2012/2013	2013/2014	2014/2015	Not broken down into years	Total	
HCA increasing affordable homes	£8,134,800	£6,398,200	£5,285,000	£9,610,000		£29,428,000	
HCA making best use of stock	£1,500,000	£2,060,000	£2,082,000	£1,585,000		£7,227,000	
HCA support	£1,105,000	£1,165,000	£1,225,000	£1,285,000		£4,780,000	
<b>HCA Total</b>	<b>£10,908,800</b>	<b>£9,623,200</b>	<b>£8,592,000</b>	<b>£12,480,000</b>		<b>£41,435,000*</b>	
<b>Investment/Leverage</b>							
Local authority investment land (£5k per plot of land on HRA land)	£880,000	£265,000				£1,145,000	
Local Authority/RSL leverage	£7,103,800	£3,998,200	£2,285,000	£6,610,000	£3,600,000	£23,597,000	
Access York Project – Transport scheme						£67,800,000	
Private sector investment including S 106 additionality					£6,000,000 (106 additional) £85,000,000	£91,000,000	
<b>Investment /Leverage Total</b>						<b>£183,542,000</b>	
<b>Total investment</b>						<b>£224,977,000</b>	
<b>Outputs</b>							
	<b>2011/2012</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>		<b>Total</b>	
Number of open market homes completed	69	209	241	159		678	
Number of affordable homes completed	192(with HCA investment)	156 (with HCA investment)	132 (with HCA investment)	129 (with HCA investment)	Total 609 HCA investment	137 From section 106 contributions 746	
<b>Total number of properties built</b>	<b>261</b>	<b>365</b>	<b>373</b>	<b>288</b>		<b>1424</b>	
Private Sector Decency	1085	2088	1588	588		5349	
Property adapted	156	156	156	157		625	
<b>Other Outputs</b>							
Jobs	Assisted living	Open space play areas	Education provision	Leisure facilities	Communal facilities	Health	Other
2,989	2 Schemes	18 acres public open space Play areas	1 nursery 1 crèche	2 Hotels 1 Brasserie 1 Gallery, Gym	2 Community centres 1 Community Cafe	1 Medical centre	1 shop

\* The above outputs do not include the York Northwest development

## Scenario Planning

If 75% of the £41,604,000 was made available this would equate to £31,203,000.

If 60% of the £41,604,000 were made available this would equate to £24,962,400. Priority would be given to the schemes and outputs identified in the table below.

Scheme	HCA 75% Investment (£31,203,000)	Outputs Affordable Homes	HCA 60% investment (£24,962,400)	Outputs Affordable Homes
Lilborne Drive (HCA committed)	£560,000	19	£560,000	19
Turf Taverns (HCA committed)	£200,000	8	£200,000	8
Discus (HCA committed)	£1,434,000	75	£1,434,000	75
Derwenthorpe	£8,960,216	216	£ 8,960,216	216
Ordnance Lane	£2,470,000	38	£2,470,000	38
Water Lane Former YWCA site	£1,740,000	29	£1,740,000	29
Seventh Avenue	£144,000	4	£144,000	4
Strensall	£1,080,000	18	£1,080,000	18
S106 additionality	£4,800,000	80	£2,400,000	40
Hold	£120,000	2		
Learning disability transitions	£900,000	3		
<b>Total affordable homes</b>		492		447
Making best use of stock	£5,420,250	75% (4,012 properties)	£3,613,350	50% (2674 properties)
Adaptations	£3,585,000	75%(469 properties)	£2,390,000	50%(312 properties)
Total	£31,413,466	4481	£24,991,716	2986

<b>If 75 % of funding is forthcoming then the following adjustments have been made to the original investment ask;</b>	<b>If 60 % of funding is forthcoming then the following adjustments have been made to the original investment ask;</b>
Gypsy and Traveller provision has been removed	Gypsy and Traveller provision has been removed
S106 additionality reduced by from 173 to 80	S106 additionality reduced from 173 to 40
HOLD scheme reduced from 7 to 2	No provision for HOL
	No provision for Learning disability transitions
Making best use or stock reduced to 75%	Making best use or stock reduced to 50%
Adaptations reduced to 75%	Adaptations reduced to 50%

## Section 7: Governance and Monitoring

The LIP has been developed by a project team comprising officers from Housing, Planning and Regeneration:

Assistant Director Housing	Steve Waddington
Assistant Director City Development and Transport	Richard Wood
Housing Strategy and Enabling Manager	Sharon Brown
Housing Strategy Manager	Paul Landais-Stamp
Head of City Development	Dave Caulfield

Supported by the following officers:

Assistant Director Communities and Culture	Charlie Croft
Assistant Director Education	Jill Hodges
Head of Economic Development	Bryn Jones

The Assistant Director for Housing will have responsibility for overall monitoring and review of the LIP including project management of the thematic developments.

The Assistant Director City Development and Transport will have responsibility for project management of the geographic developments.

The LIP has had formal sign-off by the council's Executive. The LIP project team will undertake regular monitoring and review providing regular updates to Housing's Senior Management Team (HSMT). Annual progress reports will be presented to the council's Executive.

We will also explore what role the developing Local Enterprise Partnerships might play in the monitoring and review of the LIP.

## Performance Measures

The success of the LIP will be monitored against the delivery of the projected outputs identified earlier and performance against the following indicators: (The council is currently reviewing which strategic high-level indicators are to be kept.)

Indicator	Baseline	Target 2011/12	Target 2012/13	Target 2013/14	Target 2014/15
NI 154- Net additional homes provided per year					
NI 155- Number of affordable homes delivered each year					
NI 156- Number of households living in temporary accommodation					
Number of 16-17 year olds accepted as homeless					
NI 158- Proportion of non-decent homes at the financial year end					
NI 159 – Supply of ready to develop housing sites					
NI 151- Overall employment rate					
NI 117 16-18 year olds who are not in education, training or employment					
NI 75 Achievement of 5 or more A8-C grades at GCSE or equivalent including Maths & English					
NI141 % of vulnerable people achieving independent living					
NI 142 % of people who are supported to maintain independent living					
NI 187 a NI 187b Fuel Poverty indicators					
Private Sector Decency					

## Section 8: Risk Management

The following risks have been identified that could impact on achieving the overall objectives of the programme:

<b>Risk</b>	<b>Mitigation</b>
Difficulties with the recession hinders delivery against outcomes and outputs	Rigorous scheme and investment appraisal on all housing and economic interventions
Planning issues delay implementation	Engage with planning officers and members of the planning committee early in the process to secure buy-in and support as required. Schemes have 'policy fit' and align with LDF and other key strategies.
Registered Providers do not have the capacity to develop and /or purchase homes on Section 106 sites	Close partnership working and expanding the number of Registered Providers developing in the city.
Reliance on the public sector schemes coming forward to deliver the bulk of the general needs affordable housing	Engage with developers and seek to enable development where appropriate
Adoption of affordable housing policy	Ongoing engagement with the market by council officers including the York Property Forum and Chamber of Commerce and supported by affordable housing experts Fordham research
Bid for Transport funding unsuccessful	Seek other sources of funding, shift development priorities that do not require substantially improved highway works
Political change resulting in a reconsideration of priorities	Ongoing dialogue with politicians. Close monitoring and response to changes in national political priorities.
Complexity of delivery of many sites	Ensure rigorous project management arrangements through the well-established York 'development team' approach, which has successfully delivered planning permissions on many key sites including Hungate, Terrys and Derwenthorpe.
Sharp increase in unemployment due to economic downturn and impact on public sector jobs	Accelerate employment diversification projects such as Science City York, work in partnership with employers and employment agencies





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**Executive**

14th December 2010

**Report of the Director of Customer and Business Support Services****2011-12 Budget Update II – Grant Funding****Summary**

1. This report seeks to provide Executive with an update on the 2011-12 budget process, with emphasis on the latest information available regarding funding and how this might effect the council's provisional grant settlement which is scheduled to be announced during December.

**Previous Report**

2. The last report brought before Executive on 16 November 2010 provided Members with an update on the current status of the 2011-12 budget process and focussed on the headline impacts of the recently announced Spending Review and outline plans for the More for York programme. To summarise the main headlines from the report, the council:
  - i) faced a 10.7% reduction in Formula Grant in 2011-12, approximately £4.8m at the 2010-11 base,
  - ii) would receive a grant in the region of £1.8m for each of the next four years should it opt to freeze Council Tax in 2011-12,
  - iii) would receive its grant funding in a radically different way following the de-ringfencing of the majority of Specific and Area Based Grants (ABG),
  - iv) had calculated approximately £11.5m of growth pressures, including £6.2m of unavoidable corporate items,
  - v) was facing a challenging target of having to deliver in the region of £15m in savings subject to the level of funding reductions announced in the provisional grant settlement.
3. Based on information regarding grant funding which has been released since the Spending Review, the next section of this report will outline the potential implications on York.

**Grant Funding**

4. Numerous information streams have been monitored continually by officers since the Spending Review, including ministerial statements and Central Government departmental plans, with a view to gathering as clear a projection on the implications for the council, and in order to ensure financial planning is as robust as possible. Clearly these projections are only conjecture and should be seen as that until more clarity is provided with the announcement of the provisional grant settlement during December. The latest available information shows that:

- i) at least 22 grants, previously delivered as Specific or ABG, and valued at approximately £14.3m in 2010-11 will be rolled into Formula Grant in 2011-12.
  - ii) a further 38 grants, previously delivered as Specific or ABG, and valued at approximately £6.9m in 2010-11 have as yet had no announcement on their continuation or delivery mechanism in 2011-12, and as such could be perceived to be 'at risk'.
  - iii) the precise grants feeding into the refined Dedicated Schools Grant and Early Intervention grant are still to be announced.
5. The rolling of grants into Formula Grant and the application of the published 10.7% reduction to each council's allocation poses Central Government with a problem in terms of appearing equitable. Each individual council's net budget is funded by a unique split between Council Tax and Formula Grant, usually characterised by its perceived deprivation level, with more deprived councils typically receiving more Formula Grant. York's split is 62% Council Tax and 38% Formula Grant, with other examples being Hull City Council (33% and 67%) and Windsor & Maidenhead (77% and 23%). This illustrates that there is a significant gulf between what each council currently receives in grant and subsequently, the negative impact of any potential funding reductions.
6. In order to overcome this problem, it is highly likely that Central Government will employ some form of smoothing mechanism, known as flooring and ceiling methodology, to ensure certain councils do not lose too much as a result of the funding reduction. In this case, it is expected that council's with a high proportion of their net budget funded by Formula Grant will receive some form of protection, at the expense of council's with a lower proportion. Current reports suggest that further to this councils may be placed into four bands based on perceived levels of deprivation with councils in the less deprived bands funding the impact of the cuts for council in the more deprived bands.
7. As a result of this, the council has to be prepared to receive a funding reduction higher than the original 10.7% announced at the Spending Review. Current projections are assuming a reduction in the region of 15% (or £8.2m using the re-aligned 2010-11 grant base) and officers are working hard to identify mitigation strategies and options for Members on how this may be dealt with.
8. It is important to highlight the council has been penalised by flooring and ceilings in the past having lost out on approximately £1.1m in each of the last three years (2008-09 to 2010-11), or £6.6m cumulatively.
9. The issue of grant distribution is further clouded by the fact that the Formula Grant distribution model is being updated and final details of the changes will not be known until the grant settlement is announced.
10. In order to fight York's cause and to ensure it isn't unfairly treated by the grant settlement, representations have been made to various arms of Central Government highlighting the punitive nature of flooring

methodologies whilst at the same time pointing out the following facts, namely that in 2010-11 City of York Council had:

- i) the second lowest Band D Council Tax out of all 55 Unitary Authorities,
  - ii) the ninth lowest Government Grant per capita out of all 55 Unitary Authorities,
  - iii) the lowest budgeted spend per capita out of all 55 Unitary Authorities.
11. As has already been highlighted, earlier paragraphs are based on analysis of various information streams and clarity will be provided when the provisional settlement is announced during December.
  12. A full analysis of the provisional settlement including the impact on the budget gap and implications for savings requirements will be provided to Members in time for the meeting of 14 December should it be announced before then.
  13. Work is continuing via the More for York programme in order to present Members with a comprehensive set of options that will ensure any funding reductions are dealt with appropriately and that a balanced budget can be produced in February 2011.

### **Analysis**

14. All the analysis of emerging financial issues is included in the body of the report.

### **Consultation**

15. The council's budget process has numerous consultation strands. There has been extensive consultation with Trade Union groups on the ongoing implications of the council's financial situation. Equalities advice is being sought, and implications noted, at all stages of the budget planning process. Furthermore, members of the public and business leaders will be consulted on the pressures the council is facing in the run up to setting the budget in February.

### **Corporate Priorities**

16. This is the second in a series of reports for the 2011-12 budget process and demonstrates that early and comprehensive planning of the budget process is key to ensuring that the council meets its corporate priorities and underpins being an Effective Organisation.

### **Implications**

17. The implications are:
  - Financial - the financial implications are dealt with in the body of the report.

- Human Resources - there are no specific human resource implications to this report.
- Equalities - there are no specific equality implications to this report, however equalities issues are being accounted for at all stages of the budget process.
- Legal - there are no legal implications to this report.
- Crime and Disorder - there are no specific crime and disorder implications to this report.
- Information Technology - there are no information technology implications to this report.
- Property - there are no property implications to this report.
- Other - there are no other implications to this report.

### **Risk Management**

18. There are a number of risks associated with the emerging issues outlined in this report, in particular with regard to the actual levels of grant cuts and levels of savings to be delivered by More for York. Clarity will be provided on the precise losses from grants following receipt of the provisional Local Government finance settlement and work is ongoing on the More for York savings proposals.

### **Recommendations**

19. Members are asked to:
  - a. note the current position and the ongoing work that is being conducted in relation to developing the 2011-12 budget.

*Reason: So that the 2011-12 budget process can be completed in a timely manner.*

### **Contact Details**

#### **Chief Officer Responsible for the report:**

Ian Floyd, Director of Customer and Business Support Services

Keith Best, Assistant Director of Customer and Business Support Services (Financial Services)

**Report Approved**  **Date** *December 2010*

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



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**Executive****14 December 2010**

Report of the Director of Adults, Children and Education

**The Reablement Service in York****Summary**

1. This report advises the Executive of the opportunities of a remodelled reablement service as part of a wider strategy to meet the challenges, both financially and qualitatively of changing demographics within the City. It also seeks a decision from Members on the option for how best to meet these challenges.

**Background****Home Care in City of York**

2. Home care support for older people constitutes one of the major areas of spend within Local Authority Adult Social Care. It is set to expand nationally over the coming years as a result of significant demographic increases. York currently has a population of over 33,000 over the age of 65 and this is expected to increase to 37,000 by 2015 and to 40,100 by 2020. This population increase will place significant strain on the availability of home care within the City and also on adult social care budgets over the coming years. City of York Council (CYC) currently spends in total approximately £6m on home care provision per annum. This is made up of £3m per annum purchased from the independent sector and £3m for in-house home care of which the in-house reablement service comprises £1.39m.

**Reablement- what is it and why it is needed?**

3. A Reablement service within social care is nationally considered to be an essential component within the Government's agenda for the transformation and modernisation of social care. It provides a means to reduce dependency on traditional domiciliary care packages and residential care by optimising individual's functional abilities. This in turn can negate the need for a long-term package of support for some people and for others it can diminish the size of a long-term support package. It focuses on independence rather than dependency and results in significantly better outcomes for customers and a reduction in overall spend on continuing long-term home care packages. In other localities where this has been fully implemented, reductions of between 40% and 60% of ongoing care needs for new customers have been seen. Furthermore, such schemes have the potential to be used for existing customers in subsequent years when their care is reviewed. Most local authorities with a social care

responsibility have either established or are in the process of establishing a comprehensive Reablement Service.

### **The Reablement Service in York**

4. An in-house Reablement service was established in York Adult Social Care in 2008. The service is designed to be of short duration input for customers - not exceeding six weeks - and aims to promote independence and reduce dependency on long-term packages of care. Reablement staff are expected to help customers to regain skills or develop alternative skills in order that they can fend for themselves again either with no home care support or with a reduced package.

### **Context of reablement within the overall Older Persons strategy**

5. As part of the Long Term Commissioning Strategy for older people previously agreed by Members, reference was made to a strategy which allows:
  - The “maximisation of independence and optimising people’s health and well-being - support that enables rather than disables, intervenes early to prevent problems becoming acute and uses assistive technology.”

and that

- “the strategic outcomes developed through the joint vision with our health partners included the desire that more older people will enable older people to achieve greater independence and remain within a home of their own.”

and that as a Council we needed

- "To invest in services that reduce the need for and funding for residential and hospital based care and increase independence”

### **The components/design of a successful reablement model**

6. It is considered essential that the following elements are available within a redesigned Reablement service:
  - Reablement home care workers
  - Occupational therapy assessment
  - Telecare staff
  - Care Management input for complex cases
  - Reviewing staff (from care management teams)
  - Placement team capacity (for ongoing home care package organisation)
  - Management capacity for workflow and performance delivery
  - Intermediate care services from NHS required to support design

*The details of the design and component staff elements are dealt with in more detail at Annex A*

## Consultation

7. Specific Consultation has taken place with the following:

- ACE Directorate management team
- Trade Unions (Unison and GMB): Meetings with Unison representatives took place on the 22 October and the 19 November to brief them on the future of Reablement and the options being considered. Meetings with GMB representatives took place on the 10th and 15th November. Both unions have expressed their opposition to transferring the in-house service to the independent sector. Unison advise that whilst they recognize the financial pressures within the department and the authority as a whole, they ask for further opportunities for consultation. Unison have also questioned the ability of the private sector to deliver this amount of extra work and feels due consideration should be given to the inherent difficulties of reliance on external care providers. This is a concern managers are mindful of but do not share. The report's recommendation allows members to monitor the markets response to any new opportunity offered.

- Ongoing consultation with staff:

The current Reablement service began operating in February 2009 and has had a clear and open focus on a programme of improvement in readiness for an expected soft market testing in 2010. This challenge was openly discussed with front line staff and managers and underpinned the need for change in all the workshops and communications with staff throughout 2009 and to date. Like all our home care services it included improvements to try to match our capacity better to peak hours of customer demand, reducing our unit costs, whilst also driving up our service quality and outcomes for customers. The levels of engagement of our managers and staff in this agenda have been excellent.

A briefing meeting was held on 22 November 2010 with service managers, front line staff and admin support workers to discuss the future of Reablement and the options for the service which feature in this report. Approximately 50+ staff attended and managers provided an onward briefing for those unable to attend. Representatives from Unison and the GMB were present. Reablement staff expressed an ideal preference for the service to remain in-house and to continue work for the council.

- Health Partners:

There have been extensive consultation and discussions with the Adult Commissioning group for York. Partners from the PCT, the GP commissioning group and York Foundation Trust, have reached a shared understanding of the need to expand the reablement function in an integrated way with the remodelling of the intermediate care service that is currently underway. This work is finalising a joint model for the area of York, and the reablement model proposed supports this integrated overall strategy.

- Consultation with older people:

When we consulted with older people in 2008 about how we could face the challenges of an ageing population, 70% believed that provision of personal care would help people stay independent for longer. 50% wanted us to look at using more telecare, and 73% wanted us to help people access equipment and home adaptations to help them stay independent. The reablement model proposed above addresses all of these elements.

## Options

8. The option being put forwards to Members is to increase the volume of reablement available to the citizens of York. In order to enable an expansion of the service, members are recommended to progress the outsourcing of the service to the independent sector in order to make available the resources required to expand the service. The analysis on options to achieve this is outlined below.

## Analysis

### Potential Reablement advantages for York

9. The Department of Health have estimated that on the basis of 600 new referrals into City of York per annum<sup>1</sup> and using benchmarked reabling rates from other local authorities, that when fully operational up to £696K could be saved in the first full year of operation and the potential of £1.254M in subsequent years. These are cost avoidance measures and savings relate to reductions in long-term care packages and assume that the service runs at a capacity which meets demand,<sup>2</sup> that no customers overstay the six-week reablement period and staff/customer contact time is optimised. However in considering potential savings, attention is drawn to information further in the report that highlights the costs associated with recommendations.

### The size of service needed in York

10. Experience so far shows that the size of the existing Reablement Service in CYC is not adequate to deliver the expected benefits. The model needs to allow all customers (with some noted exceptions) to access the service to gain the benefits outlined in paragraph 9 above.
11. The data used is from the Department of Health (DoH) benchmarking information gathered from other local authorities using the population of older people in their area, which calculates the number of older people that might become candidates for Reablement in York. The DoH judges that 2.1% of the population over 65 would be potential Reablement candidates.

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<sup>1</sup> Based on average expected demographic growth

<sup>2</sup> Demand within York is dealt with in [para 11 and 12 in this paper](#).



12. In York this would equate to 693 customers per year. Using the DoH formula we believe we need to provide some 1012 per week of face to face contact to meet this increasing need

*More detail relating to these working can be found in Annex B.*

### **Performance currently against hours needed**

13. The current in-house service is funded to deliver 1258 hours per week reablement and from the funding made available (£1.39M) is able to deliver 503 hours per week staff face-face at a contact time of 40%.
14. Although significant progress has been made in developing the in-house reablement service in York there is a significant waiting list of referrals to come into the service. This has arisen because of:
- an under capacity within the team to deal with the number of referrals that need a reablement approach
  - a difficulty in always achieving a timely transfer of customers into long term care packages, due to a lack of capacity/funds to purchase in the private sector
  - (Consequently) customers often stay within the Reablement service for longer than the optimum six weeks - an average time of over 10 weeks.
  - Staff contact time with customers runs at 40%. This means that delivery of support to people is only available for 40% of the total time that the service is funded for.
15. It is recognised that when the reablement service was put in place in 2008, there was no useful national data that assisted in the sizing of a model. The in-house reablement service size, was at that time based on the hours available from existing home care teams. There is also a recognition that even if the existing team were able to continue to improve its face to face contact time, and the ability to do this is minimal given the improvements already undertaken, this would not be sufficient, without additional investment to meet the size of the service required.

### **Expansion costs of a future deliver model**

16. If a reablement service is to be effective within York and be fit to meet the needs of the growing demographics, it needs to deliver 1012 hours of face-to-face contact time weekly. The following costs show existing in-house costs and costs for expansion models.

### **In house current costs**

17. The following table 2 describes the costs associated with existing in-house reablement service and how much face-to-face contact time is given.

Table 2

Existing Hours budgeted for per week (In house service)	Contact time %	Number of hours delivered face to face	Cost of service	Cost per hour delivery of face to face contact
1258	40%	503	£1.39million	£53.25

NB Please note that there is £48k of recharges associated with this budget. If this is removed it means the hourly cost is £51.42.

18. Although the current service operates at a contact time of 40%, it is recognised that in addition to face to face contact time between staff and customer some time must be allowed for planning, case management and assessment. It is estimated that this would be in the order of 20% and this should therefore be included in calculating costs for both independent and in-house provision. The costs in table 3 below reflect this in each scenario by an increase in independent sector hours purchased and a reduced unit cost of £42 for the in-house service. *Further details relating to contact time and costs can be found in Annex C*

### **Existing Staff and the Implications of TUPE**

19. The Transfer of Undertakings (Protection of Employment) Regulations 2006 is the main piece of legislation governing the transfer of an undertaking, or part of one, to another. The regulations are designed to protect the rights of employees in a transfer situation ensure they receive the same terms and conditions, with continuity of employment, as formerly.
20. The option presented within this report involve a “contract out” of the Reablement Service to the independent sector, and TUPE applies to all relevant transfers where services are outsourced, ‘insourced’ or assigned to a new contractor.
21. Therefore, all employees employed in the service, are covered under TUPE legislation and have a right to transfer to the new organisation with their existing terms and conditions of employment. Their continuity of service is also preserved.
22. Without prejudice to their right to transfer to the new organisation, staff may wish to volunteer to be released from employment on the grounds of business efficiency. The Local Government, Early Termination of Employment (Discretionary Payment) Regulations 2006, provide Local Government employers with powers to consider a one off lump sum payment to an employee whose contract is terminated in the interests of the efficient exercise of employing the authority’s functions.
23. Whilst employees would not be dismissed as a result of this transfer, requests would be considered from those who did not wish to transfer and instead wanted

to be released to access their pension (if over 55), and/or to receive a lump sum payment (based on the Council's Redundancy Payment table).

24. It can be demonstrated that by allowing staff who wish to volunteer to leave that this would create a business efficiency, as the costs associated in purchasing the service from the independent provider would reduce due to there being a reduced number of staff on CYC terms and conditions (which are significantly more expensive than their existing workforce).
25. Option B3, provides an example of the indicative costs, should a number of staff volunteer to be released from the service early, and not wish to transfer to the new provider.
26. All other staff would transfer to the new provider on the agreed date of transfer of the business.

### **Expansion costs**

27. In considering the expansion costs to deliver a 1012 hours face to face contact time, the table below shows costs associated with the following possibilities:
  - A - the expansion of the in-house CYC service.
  - B1 - purchase of the service from the independent sector.
  - B2 - purchase of the service from the independent sector including costs as TUPE will apply, as existing staff have a right to transfer.
  - Please note that B3 is shown as an illustration of costs should some staff opt to exit the organisation early. (see notes in paragraphs 19-26 above).
28. The following table 3 shows Year 1 costs of each option of expansion (as seen in total cost on above table, and also ongoing annual costs.

Table 3

	A In House service including expansion costs (assuming 40% current contact time plus 20% allowance)	B1 Independent Sector delivering full reablement model (assuming 80% contact time)	B2 Independent Sector with TUPE costs to new provider (assuming 80% contact time and TUPE transfer of all staff)	B3 Independent Sector with costs associated with dismissals for business efficiency (assuming 80% contact time)
Year 1 TOTAL Costs	<b>£2.5m</b>	<b>c£986,700</b>	<b>£1.313m*</b>	<b>£1,258,938m</b> (made up of £986,700 + £272,238 severance costs)
Year 2 – 5 costs	<b>£2.5m</b>	<b>c£986,700</b>	<b>££1.313m*</b>	£0.987m +£14,316k pension access costs paid each year for 5 years <b>£1,001,316m</b>
Year 5 costs	<b>£2.50m</b>	<b>c£986,700</b>	<b>£1.313m*</b>	<b>£0.987m</b>

29. Estimate of TUPE costs. This is based on indicative hourly rate of provider costs of in the region of £25 for the 503 hours that could transfer under TUPE, plus the expansion costs for 509 hours at in the region of £15 per hour (as in model B1). Please note that option B1 is for illustrative purposes only, as to the costs of a fully outsourced service as it is not possible to opt for this given CYC have staff in place already.
30. We have considered and discounted the option of a “hybrid” model whereby we retain the existing service provided by the CYC in-house team and purchase the remainder of the required hours of reablement from the independent sector. This has been discounted as an option due to it being unduly complex to implement in terms of management of a hybrid service including overall workflow management, performance management and accountability. In addition the costs associated with this arrangement would be an investment required to fund additional reablement hours for which there would be no diminishment in costs that are associated in models B2 and B3. This investment is £496,271 for additional hours needed plus £52,000 for additional management support - a total of £548k.
31. In addition to the issues of number of hours available within the reablement service we must also take opportunities to enhance the quality of the reablement service available in the city to deliver better outcomes for the customers using the service.

32. As described earlier the components/design of a successful reablement model suggest that it is nationally considered essential that the following elements are available or better integrated within a redesigned local Reablement service:

- Reablement home care workers
- Occupational therapy assessment
- Telecare staff
- Care Management input for complex cases
- Reviewing staff (from care management teams)
- Placement team capacity (for ongoing home care package organisation)
- Management capacity for workflow and performance delivery
- Intermediate care services from NHS required to support design

*The details of the design and component staff elements are dealt with in more detail at Annex A*

33. As outlined in paragraph 12, the expanded service will need some additional capacity to ensure maximum efficiency can be gained from the service. This is minimal and is shown in Table 4 below. These costs would be required irrespective of which model of service was recommended.

Table 4 -Additional Costs

<u>Year 1</u>	<u>Year 2</u>
Occupational therapy Staff £34,575	Occupational therapy Staff £34,575
Project management costs £50,000	
Trusted Assessor training costs £4000	
Total £88,575	£34,575

34. Please note that there will be other service supports required for the expanded reablement model, such as additional contract management and commissioning time but these will be funded from a redistribution of existing budgets. It is crucially important that any newly designed service is developed on a partnership basis and that opportunities are also taken to support current integrated commissioning discussions which seek to address deficits in intermediate care provision.

### **Charging regime**

35. Current charging regime: The majority of local authorities with a social care responsibility have opted not to charge for Reablement. York is one of the minority that do and until now it has been a local decision to decide whether to charge or not. Recent communications from the Care Services Efficiency Delivery (CSED) team and the Department of Health indicate that Reablement

Services should not be chargeable to customers. Reablement would become classed as intermediate care which does not attract a charge. Current charging for Reablement has introduced a complication in CYC around the way in which the Reablement Service is commissioned. Reablement is commissioned in 15-minute charging blocks which is cumbersome to operate and works against a smooth flow through the system. It re-enforces a culture of “doing for” customers, who understandably want to pay as little as possible for the service, hence wanting a quick turnover of support rather than a reablement approach. The cost of removing this will be Approx £100k per annum income loss. This cost will be irrespective of the model chosen. A free service would provide greater flexibility for the way the service is provided and would clearly facilitate the move toward integrated reablement/intermediate care arrangements.

### **Ensuring the quality and availability of any expanded reablement service**

36. Considerations have been given in relation to quality and availability of the market to deliver an expanded service.
37. The data available from the Care Quality Commission reflects ratings of home care providers. From this we can ascertain that there is equal quality delivered from in-house home care providers and independent sector providers.
38. It is considered that capacity is available from within the independent sector market. This information is gleaned through the recent re-commissioning and procurement of the home care locality contracts within York.
39. Through the recent home care re-tender we have assessed the quality cost effectiveness and sustainability of providers who would wish to work in York. Providers were tested on their approach to service delivery, their understanding of local constraints, their approach to staff recruitment and retention, and training and supervision. They were asked to give evidence of their ability to work in a personalised way and how they would work with customer to agree support to deliver agreed outcomes. Our contracting arrangements mean that the providers will be regularly monitored on service delivery, and on customer feedback.
40. There is information available from the national annual survey (PSSEX) which shows that 75-80% of local authorities have already outsourced their homecare service. In York we have 50% outsourced and 50% internal.
41. Current numbers of outsourced reablement services is less common as the process is less developed in this area across the Country, however, 16 Local Authorities have done so with information from CSED advising that another 20 authorities have contacted them this month re their plans to consider doing so.

## Corporate Priorities

42. This report takes account of the following corporate priorities:

- Inclusive City

City of York Council will make York an inclusive City. We will do our best to make sure that all citizens, regardless of race, age, disability, sexual orientation, faith or gender, feel included in the life of York. We will help improve prospects for all, tackle poverty and exclusion and make services and facilities easy to access.

- Healthy City

We want York to be a city where residents enjoy long, healthy and independent lives. For this to happen we will make sure that people are supported to make healthier lifestyle choices and that health and social care services are quick to respond to those that need them.

## Implications

### Financial

43. The detailed analysis behind the financial implications is set out in the main body of the report, with all of the key financial and budget figures brought together in the table at Annex E. Table 5, below, then provides a summary of the implications for each option.

**Table 5:**

	<b>Option A £m</b>	<b>Option B1 £m</b>	<b>Option B2 £m</b>	<b>Option B3 £m</b>
<b>Year 1:</b>				
Net Additional Budget Requirement	1.347	(0.166)	0.160	0.120
Over Net (Saving) / Cost	0.651	(0.862)	(0.536)	(0.576)
<b>Years 2-5:</b>				
Net Additional Budget Requirement	1.293	(0.220)	0.106	(0.206)
Over Net (Saving) / Cost	0.039	(1.474)	(1.148)	(1.460)
<b>Year 6 Onwards:</b>				
Net Additional Budget Requirement	1.293	(0.220)	0.106	(0.220)
Over Net (Saving) / Cost	0.039	(1.474)	(1.148)	(1.474)

44. Option A requires an increase in budget of £1.3m to expand the reablement model, a sum that would not be fully recouped by the estimated reductions in future cost pressures.

45. Options B2 & B3 require much more modest increases in the base budget requirement (£0.1m to £0.2m) and these additional costs are more than offset by the significant reductions in estimated future cost pressures, rising to a total net overall future cost saving of up to £1.5m.

### **Human Resources**

46. There are currently 59 “Reablement Workers” in the service, with a full time equivalent of 33 full time equivalents (FTE).
47. The majority of staff work 30 hours per week, and are paid within Grade 5, which ranges from £17,415-£19,147 per annum (pro-rata).
48. There are also a small number of management (Team Leader) and Administrative Support attached to this function, and the consultation and further detailed work will determine if any of these posts are also subject to transfer to the new provider.
49. The transfer is protected by TUPE legislation, and as such all staff have the right to transfer to the new provider, and retain their current terms and conditions.
50. The process of transfer will be managed in line with the Council’s Policy on Transfer of Staff, which is compliant with TUPE regulations.
51. The consultation process may result in some staff indicating their wish to be released from City of York Council employment and not transfer to the new provider. These requests will be managed in the same way as we currently manage requests for Voluntary Redundancy, and a business case would be considered before agreeing to release a member of staff. Any early release, and subsequent dismissal would not be connected to the transfer.
52. This process is designed to be flexible and respond to staff needs, however, this does not replace the right of staff to transfer to the new provider.
53. It is also worth noting that given the skill set of those staff who currently work in the service, it is entirely possible that they may wish to gain employment with any new independent provider. Discussions would be ongoing with staff, and support for staff given through this process. It is possible that negotiations with any independent provider could include an undertaking to interview any CYC staff who are interested in applying for employment with the provider.

### **Equalities**

54. An equality impact assessment has been undertaken and the impact is that on staff as outlined in paragraphs 46–53 above.



## **Legal**

55. Legal advice has been sought, and has confirmed that TUPE regulations will apply. Any staff who have volunteered to be released early would be required to sign a compromise agreement to minimise the risks of any legal challenge, including claims for unfair dismissal.

## **IT**

56. There are no IT implications arising from the report.

## **Property**

57. A movement to an outsourced service would also potentially release property occupied by the in-house service.

## **Risk Management**

58. The risk in moving to implement the recommendation lie in the ability to continue to adequately staff the current service until handover to the independent sector. The mitigation for this is the option for severance or TUPE which will only come into force at the handover of the service.
59. The risk in not moving to the recommendation is lack of a robust strategy to enable cost avoidance of the foreseeable calculable rise in demographics of the older persons population. In addition there is a missed opportunity for a greater number of the customers of adult social care to been enabled therefore reducing individuals dependency on the adult social care system.

## **Recommendations**

60. Members are asked to:
- (a) Consider that CYC progresses purchasing its ongoing need for the entire expanded reablement service from the independent sector with approval for offering staff the options of dismissals for business efficiency reasons in addition to TUPE as outlined in paragraphs 19-26 and 50-53 above.
- (b) ask officers to update Executive Member in public on progress on the procurement process and the outcome of ongoing consultations.

### **Reason:**

*To allow the city to increase the scale of home based support to older people in a way which is financially deliverable, provides employment security for staff and which seeks to maintain for as long as possible the independence of local residents.*

## Contact Details

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**Report Approved** ✓ **Date** 2 December 2010

**Specialist Implications Officer(s)**

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**Wards Affected:**

**All** ✓

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

## Background Papers

None

## Annexes

Annex A - Components of a remodelled reablement service

Annex B - Size of reablement service needed

Annex C - Costs of running CYC reablement service

Annex D - Staff costs associated with dismissal due to business efficiency reasons/and or TUPE

Annex E - Financial Implications of Reablement Model Options

## Components of a remodelled reablement service

- Home Care Staff. The existing Reablement Service consists only of former care workers albeit they have had some training in Reablement skills. Experience in other local authorities clearly shows that the outcomes from the Reablement process benefit from having additional skills and capability within the team.
- Occupational therapy (OT) input is considered essential. It is considered that a minimum of one OT would be required initially but this requirement may increase to two as the service is expanded.
- Telecare. There is also an opportunity to take advantage of the benefits of telecare within Reablement. Customers in Reablement undergoing ongoing assessment could be equipped with telecare equipment as part of the solution to their care needs. This in itself could easily reduce dependency, admission to hospital and long-term care as well as improved quality of life for the customer. CYC is fortunate in having a well developed telecare service.
- Care management. Attachment of some care management staff would be required to support the flow of customers through the system.
- Placement capacity. It is critically important that there is a flow through the system at the correct pace in order that the system can operate at peak efficiency without waiting lists and without customers staying beyond six weeks. Some authorities operate a clearing house approach to the arrangement of home care packages. All of the arrangements are made by a small specialist team who are fed all referrals for home care support and would have responsibility for ensuring that care is arranged in a timely way so as not to cause blocks in the Reablement system. With smaller staff numbers involved relationships with providers also becomes more consistent and flow of performance data such as numbers waiting to go into Reablement or leaving Reablement, becomes more consistent and accurate.

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## Size of reablement service needed

### Numbers of people

We have used the Department of Health (DoH) benchmarking information gathered from other local authorities using the population of older people in their area to calculate the number of older people that might become candidates for Reablement in York. The DoH judge that 2.1% of the population over 65 would be potential Reablement candidates.

In York this would equate to 693 customers per year.

### Numbers of Reablement hours needed

Using the DoH formulae on deriving staffing hours (this takes an initial average package size and then adds a percentage reduction for each subsequent week in the service), it is estimated York will need a total reablement capacity of 3960 per week. In using the population over age 65 as a basis for calculating the size of Reablement, consideration needs to be made of York's unique position in relation to self-funders<sup>1</sup>. There is a lack of concrete information about the size of this group of the population who do not access any social care services, however, ACE Commissioning estimate this to be around 20%. Using this figure it diminishes the number of face to hours required to 3160.

The table below shows the ratio of staff to the reablement population. It can be seen that York (and Bolton) are outliers in the numbers of hours they currently have available to customers for reablement

Local Authority	Staff Hours	Population over age 65	Number of potential customers using DoH 2.1% statistic.	Ratio staff hours to Reablement population
Blackpool	3000	27900	586	5.1
Leicester	3900	37800	793	4.9
Trafford	4522	44000	924	4.9
Bolton	1440	38900	816	1.76
Salford	4025	35100	737	5.5
Rochdale	3600	30000	630	5.7
York	1258	33000	693	1.81

Also it must be noted that experience in other Local Authorities<sup>2</sup> has shown a diminishment over time from the original prediction of hours required. For the purposes of sizing the number of hours required we have diminished this number by 29% to give a figure of 2249 hours.

It should be noted that the above figures relate to in-house service provision and include service non-contact time. An assumption of contact time of 45% has been used in the calculation.

The numbers of hours of face to face contact is not the same as the number of hours needed for a reablement service due to the non-contact time within delivery consequently 2249 hours at a contact time of 45% would equate to 1012 hours of face to face time.

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## Costs of running CYC reablement service

The overall cost of running the CYC in-house Reablement service is just under £1.4m. Face to face staff are contracted for 1258 hours per week but after allowances are made for leave, sickness, training, travel time etc the actual contact hours is in the order of 500 hours which gives a contact time of around 40%. However if the same rationale around case management time etc is applied to the private sector then the in-house allowance should also include 20% in order to include time for planning, case management in the same way. If this were counted as contact time the number of hours currently delivered by the in-house service would increase to 600.

It is acknowledged that the running cost of an in-house Reablement service will be expensive due in most part because of local authority terms and conditions. Apart from the better pay which local authority staff enjoy they also benefit from better leave, car/travel allowances and weekly hour contracts which are much larger than the private sector. Private sector agencies would employ staff on lower weekly contracts with an expectation that additional hours could be worked as required. The majority of local authorities established their Reablement service in parallel with a reduction or disestablishment of their in-house homecare service. A minority of authorities have contracted with private sector providers to deliver Reablement services. The rationale for opting for an in-house Reablement services was often a consequence of the existence of a large in-house homecare service and the acknowledgement that this staff group had broadly similar skills.

This position is now changing as Local Authorities look to move service delivery out of in-house provision to the independent sector.

Contact Time is defined as the time care staff actually spend in direct face-to-face contact with customers, it is usually expressed as a percentage of the hours that a carer is contracted to work. Non-contact time consists of holidays, sickness, training, travel time, team meetings, supervision and down time. Contact time in local authorities is usually between 30% and 40% (source CSED). This is a low figure and is usually the root cause of the marked difference between local authority costs and private sector costs. Invariably the amount of annual holidays and time off for sickness is less in the private sector. Travel time is minimal in the private sector as they recruit more locally to where the customers live and are generally more able to cluster routes. An important part of non-contact time usually relates to the larger individual weekly contracts on which staff are employed in local government. Local government staff tend to be on contracts which average in excess of 20 hours per week whereas the private sector rarely exceed 10 hours guaranteed hours in a contract. This allows the private sector to be more flexible and by paying extra hours only utilise staff when there is work. Often in local authorities the hours that staff are contracted to work does not fit with when customers want a service eg mid morning and mid afternoon and this leads to a form of non contact time by non utilisation of contracted hours sometimes referred to as down time.

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**Annex D**

**Staff costs associated with dismissal due to business efficiency reasons/and or TUPE**

From the 67 staff within the existing Reablement service, if staff were leaving CYC due to dismissals for business efficiency, figures associated with settlements in this regard are calculated at £227,232. For voluntary severance pay there are a small number of individuals for whom specific costs are not available however a generous estimate is that this would not exceed £50k. An additional total of £71,580 repayable over five years in respect of access to early pension remunerations.

Should all eligible staff opt for the most advantageous option for themselves this would equate to a total of £272,232 in year one with an additional cost of £71,580 repaid over 5 years.

Please note there maybe some drift in these figures but it represents a good approximation.

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**Financial Implications of Reablement Model Options**

	OPTION A			OPTION B1			OPTION B2			OPTION B3		
	Year 1 £m	Year 2-5 £m	Year 6+ £m	Year 1 £m	Year 2-5 £m	Year 6+ £m	Year 1 £m	Year 2-5 £m	Year 6+ £m	Year 1 £m	Year 2-5 £m	Year 6+ £m
<b>Estimated Cost Of Options</b>												
Reablement Service Delivery Costs	2.500	2.500	2.500	0.987	0.987	0.987	1.313	1.313	1.313	0.987	0.987	0.987
Occupational Therapy Staffing	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035	0.035
Trusted Assessor Training	0.004			0.004			0.004			0.004		
Project Management Costs	0.050			0.050			0.050			0.050		
Severance Costs										0.272		
Pension Access Costs										0.014	0.014	
<b>Total Cost Of Service</b>	<b>2.589</b>	<b>2.535</b>	<b>2.535</b>	<b>1.076</b>	<b>1.022</b>	<b>1.022</b>	<b>1.402</b>	<b>1.348</b>	<b>1.348</b>	<b>1.362</b>	<b>1.036</b>	<b>1.022</b>
Less Cost of Existing Reablement Service	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)	(1.342)
Add Removal of Charging Income	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
<b>Net Additional Budget Requirement</b>	<b>1.347</b>	<b>1.293</b>	<b>1.293</b>	<b>(0.166)</b>	<b>(0.220)</b>	<b>(0.220)</b>	<b>0.160</b>	<b>0.106</b>	<b>0.106</b>	<b>0.120</b>	<b>(0.206)</b>	<b>(0.220)</b>
Less Estimated Future Cost Avoidance	(0.696)	(1.254)	(1.254)	(0.696)	(1.254)	(1.254)	(0.696)	(1.254)	(1.254)	(0.696)	(1.254)	(1.254)
<b>Overall Net (Saving) / Cost Of Option</b>	<b>0.651</b>	<b>0.039</b>	<b>0.039</b>	<b>(0.862)</b>	<b>(1.474)</b>	<b>(1.474)</b>	<b>(0.536)</b>	<b>(1.148)</b>	<b>(1.148)</b>	<b>(0.576)</b>	<b>(1.460)</b>	<b>(1.474)</b>

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## Executive

14 December 2010

Report of the Director of Adults, Children and Education

## Establishing a Transition Board for Liberating the NHS

### Summary

1. This paper seeks agreement to the Terms of Reference for a Transition Board, to oversee the changes anticipated as a result of the White Paper “Liberating the NHS”.

### Background

2. On the 5 October 2010 the Executive agreed in principle to the establishment of a Transition Board, under the direction of the Chief Executive. The Executive asked that the Terms of Reference be reported back for agreement.
3. The White Paper proposes significant changes, which will affect the commissioning of health care, and the role of the Local Authority. Whilst we must await the Government’s response to the consultation to understand fully the details, it is clear that change will be required.
4. A number of the changes will impact specifically on the Council, and a number will impact on our health partners. Changes will include:
  - Transfer of Public Health responsibilities from the PCT to Local Authority
  - The establishment of a Health and Wellbeing Board by the Local Authority
  - Changes to Scrutiny arrangements
  - Commissioning of a new HealthWatch service by the Local Authority
  - The transfer of commissioning responsibility, capability and capacity from the Primary Care Trust (PCT) to one or more GP commissioning consortium
  - Delivery of new Performance Frameworks for the NHS, public health and social care

### Consultation

5. The proposed Terms of Reference, have been developed jointly by the Council and the PCT.
6. A draft of the Terms of Reference has been shared with key providers within the City – York Health Group, the current Practice Based Commissioning Consortium in the city, York Hospital Foundation Trust, York CVS on behalf of the voluntary sector, and our local LINK.

7. Given the joint nature of this development the Directors of North Yorkshire and York PCT will be asked to approve these terms of reference for the York Transition Board at their December meeting.

### **Options**

8. To approve the Draft Terms of Reference as set out in Annex 1
9. To agree changes to the draft Terms of Reference

### **Analysis**

10. The proposal to form a Transition Board is borne of a shared commitment to ensure that in a time of dramatic change that change is well managed, and draws on the advice and understanding of key stakeholders and experts. The Transition Board is not intended to undertake the new role of a Health and Wellbeing Board, but to oversee key work streams and put any new required partnerships and commissioning arrangements in place.
11. The Terms of Reference make it clear that decision making will be within the frameworks of the partner organisations. The Board will be providing regularly updates to relevant portfolio holders and to non executives within the PCT. Any policy or resourcing decision would be referred for consideration by the Executive.

### **Corporate Objectives**

12. The White Paper will impact on the Council's objectives in respect of:
  - A Healthy City – we want to be a city where residents enjoy long healthy and independent lives. For this to happen we will make sure people are supported to make healthy lifestyle choices and that health and social care services are quick to respond to those that need them.

### **Implications**

#### **Financial**

13. There are no financial implications for the Council in the establishment of a Transition Board. The officer time incurred will be from within the existing staffing structure.

#### **Human Resources (HR)**

14. There are no HR implications for the Council in the establishment of a Transition Board.

#### **Equalities**

15. There are no specific equalities implications for the Council in the establishment of a Transition Board.

**Legal**

- 16. There are no legal implications for the Council in the establishment of a Transition Board. Having the Board in place will provide local leadership equipped to implement forthcoming legislative requirements.

**Crime and Disorder**

- 17. There are no crime and disorder implications for the Council in the establishment of a Transition Board.

**Information Technology (IT)**

- 18. There are no immediate IT implications for the Council in the establishment of a Transition Board.

**Property**

- 19. There are no property implications for the Council in the establishment of a Transition Board.

**Risk Management**

- 20. There are no risks that require registration in the council's risk register in relation to the establishment of a Transition Board.

**Recommendations**

- 21. It is recommended that Executive approves the Terms of Reference as set out in Annex 1 and to delegate to the Chief Executive any minor modifications to the Terms of Reference arising from the discussion at the North Yorkshire and York PCT Board.

Reason: To ensure that the Council and it's partners are able to address the challenges and changes that Liberating the NHS brings in a planned way, and maximising the opportunities for partnership and integrated working

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**Report Approved**  **Date** 30 November 2010

**Specialist Implications Officer(s)** None

**Wards Affected:** All

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

**Annex**

Annex 1 - Draft Terms of Reference Transition Board

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## **Liberating the NHS Transition Board – City of York Council**

### **DRAFT Terms of Reference**

#### Introduction

The proposal to form a Transition Board is born of a shared commitment to ensure that in a time of dramatic change that change is well managed, and draws on the advice and understanding of key stakeholders and experts. The Board is not intended to undertake the new role of a Health and Wellbeing Board, but to oversee key work streams to put new partnerships and commissioning arrangements in place.

#### Purpose

1. Oversee and guide the changes outlined in the Government White Paper, Liberating the NHS
2. Oversee work streams to deliver the new partnership and commissioning arrangements within the City of York area
3. Ensure future guidance is analysed and taken into account.

#### Tasks

1. Ensure that all work streams benefit from links and advice from regional and national leads on Liberating the NHS.
2. Establish a new Health and Wellbeing Board, locating it clearly within broader partnership arrangements.
3. Plan and oversee the transfer of public health functions to the local authority.
4. Plan for the development of a local HealthWatch organisation
5. Develop governance arrangements to facilitate opportunities for joint commissioning to be delivered.
6. Ensure key stakeholders are engaged and involved in the development of new partnership and commissioning arrangements.
7. Ensure any new scrutiny arrangements are robust and deliver sound democratic accountability

Membership

Members will need to have sufficient authority to commit their organisations to agreed actions

Members will be responsible for ensuring that their organisations are kept informed and able to take key decisions

Suggested core members

Co – chairs: Local Authority and PCT Chief Executive – or nominated Deputy  
Local GP commissioning consortium chair(s) and Chief Executives  
Director of Public Health or Associate DPH for York  
Director of Adults Children and Education ( CYC)  
PCT Locality Director  
Chair of York LINK  
Strategic Lead York Hospital Foundation Trust  
CVS Chief Executive

Additional members may be invited as required including:

Relevant officers from CYC  
Relevant officers from PCT  
Relevant experts  
Regional advisers

Decision making

Decision making will be within the frameworks of partner organisations



## Executive

14 December 2010

Report of the Director of Adults, Children and Education

## 2010 Annual Performance Assessments: Adult and Children's Services

### Summary

1. This report is produced to bring to the attention of the Executive the outcome of the 2010 assessments, by the respective regulators, of the performance of adult and children's services within the City of York.

### Background

2. **Adult Services:** The Care Quality Commission (CQC) is the independent regulator of health and social care in England. The CQC assesses the performance of all local authorities and forms a view aggregated from seven different outcome areas of the overall performance of each authority. It judges whether authorities are

**Poorly performing** – not delivering the minimum requirements for people  
**Performing adequately** – only delivering the minimum requirements for people  
**Performing well** – consistently delivering above the minimum requirements for people  
**Performing excellently**- overall delivering well above the minimum requirements for people

3. In 2009 and in judging York overall as "**Performing Well**" it reached the following summary of the performance of adult social services in the City of York:

*"There has been improved performance during the assessment year especially in addressing the recommendations from the July 2008 Independence, Wellbeing and Choice service inspection. Housing and Adult Social Services has implemented its action plan to address identified shortfalls in performance and have also generally improved in the delivery of services to people. In some areas this means the council is now performing as well as similar councils but in other areas, though improved, it is still not performing as well. The council recognises the need to continue to improve performance in areas where the delivery of improved outcomes is not in line with the performance of similar councils".*

4. In delivering that judgement the CQC judged three outcome areas as performing adequately and the remaining four areas as performing well.
5. The 2010 assessment was published on the 25 November on the CQC website. A copy of the summary assessment is attached at **Annex 1**. It concluded:

*“There has generally been an improving trajectory of performance for the council, compared to its performance in 2008/09....There have been positive steps in the transformation of services. Examples include the modernisation of services for people with learning disabilities, the increased community based support for older people and access to self directed support for carers. Good progress has also been made in ensuring that people who use services and their carers are supported in exercising control of their personal support”.*

6. Whilst continuing to be described overall as **“performing well”** the 2010 assessment shows significant improvement in the individual judgements against the key outcome areas. The authority was judged as performing excellently for the first time in a key area **“Making a Positive Contribution”** and of the overall seven outcome areas, five of the remaining six are now judged to be performing well. In short, a well embedded and secure rather than a marginal **“performing well”** judgement.
7. **Children’s Services:** Ofsted is the Office for Standards in Education, Children’s Services and Skills. Ofsted regulates and inspect to achieve excellence in the care of children and young people, and in education and skills for learners of all ages. They produce an Annual Performance Assessment of Children and young people’s Services which aggregates all other inspection/performance appraisals conducted in that authority and key statistical data held about outcomes for children in that area.
8. The annual rating derives from a four point scale:

<b>4 : Performs excellently</b>	An organisation that significantly exceeds minimum requirements
<b>3 : Performs well</b>	An organisation that exceeds minimum requirements
<b>2 : Performs adequately</b>	An organisation that meets only minimum requirements
<b>1 : Performs poorly</b>	An organisation that does not meet minimum requirements

9. The 2009 assessment had judged York to be one of only 9 authorities nationally and only one of two outside of London to be **“performing excellently”** and significantly exceeding minimum requirements.

10. The 2010 APA judgement was made public on the 9 December 2010 a copy of which is attached at Annex 2. In concluding that York had retained its 2010 rating of “**performing excellently**” it said:

*“The authority has succeeded in maintaining the excellent performance of its services and has conducted a clear analysis of strengths and areas for further improvement. There is a clear commitment to ‘narrowing the gap between pupils who are vulnerable to underachievement because of their circumstances’ and the authority is tackling this in a number of ways”*

### **Consultation**

11. This is not a report which in itself is subject to consultation processes. However the work of the CQC and Ofsted and therefore the judgements reached, places considerable emphasis on customer experience, the views of service users and the impact on outcomes for customers of local services.

### **Options**

12. This report does not provide specific options for members but does create the opportunity for Executive to note the contents of these key assessments and comment upon the outcomes described and further improvement work planned.

### **Analysis**

13. Whilst both reports recognize the extent to which progress has either taken place or has been maintained strong authorities also continue to challenge themselves in areas where further progress is still needed. In that respect and with regard to **Adult Services** we recognize the particular encouragement the assessment provides to:
- Further the development of a more strategic and integrated approach to commissioning across all partners. The opportunities created by the NHS reforms will potentially help us build on current arrangements. Executive have already approved for example a new partnership “Vision for Older Peoples Services” and the Executive Member will be considering the integrated strategy needed to deliver that vision at his decision meeting on the 21 December 2010
  - Enhance the range and provision of intermediate care services, further expanding the availability of home based integrated support services, the use of telecare/telehealth and thereby continue to reduce delayed discharges from hospital
14. The challenges of reducing waiting times for major adaptations, of improving access to social, leisure and learning activities within the community for people who live in residential care and of improving further the safeguarding training made available to the independent sector will all be incorporated in service plan priorities for the coming year.

15. Similarly the service will prioritise and respond positively to the challenge of improving the timeliness of assessments for people with learning disabilities and being assured that people who use services and carers are aware of and facilitated to use the complaints process
16. In respect of **Children's Services** the main area for development highlighted concerns "reducing the gaps in achievement between young people from low income families, and those who have special educational needs, and others of the same age".
17. Latest results however show that the attainment gap at Key stage 2 between pupils eligible for free school meals (FSM) and non-FSM pupils has narrowed significantly to 23% (from 35% in 2009). At Key Stage 4, the broadening of the curriculum has had a positive impact on the performance of the FSM cohort at 5A\*-C resulting in the gap for this measure narrowing by 9%. However the challenge to narrow the gap at Key stage 4 for results including English and Maths remains a valid one. ACE are now tracking individual pupils as well as schools so targeted funding and support can be focused at pupil level and recent 1-1 tuition is focussing on FSM pupils and those who are not achieving L4 in English and Maths. On Special Educational Needs (SEN,) we believe York is more assiduous in identifying SEN than other authorities. Our outcomes based model ensures only those with the greatest learning deficit are identified as SEN. So those in our SEN cohorts really do have long term and often complex learning needs and comparison with the wider cohort inevitably finds a wider gap than some other authorities.
18. The newly re-commissioned school meals service has made a promising start in the city and we have some confidence that the challenge of increasing the take-up of school meals at primary and secondary level will take place. Similarly the performance challenge of reducing the numbers of children who become subject of a protection plan more than once has already seen significant progress in 2010/11 figures.
19. It is encouraging that the report recognizes the highly positive inspection of the Youth Offending Team for York which gives considerable confidence that the remaining performance issues highlighted by the assessment relating to that area will be addressed.

## **Corporate Objectives**

- 20.. *This section should explain how the proposals relate to the Council's corporate priorities and objectives, and other key change programmes.*

## **Implications**

7. **Financial** (*Contact – Director of Resources*)

- **Human Resources (HR)** (*Contact – Head of HR*)
- **Equalities** (*Contact – Equalities Officer*)
- **Legal** (*Contact – Head of Legal and Democratic Services*)
- **Crime and Disorder** (*Contact - Senior Partnerships Support Officer, Community Planning & Partnerships*)
- **Information Technology (IT)** (*Contact – Head of IT*)
- **Property** (*Contact – Property*)
- **Other**

*State here any other known implications i.e. Highways (Contact – relevant Head)*

## **Risk Management**

8. *This section should be the penultimate one in the report (before Recommendations) and should include an assessment of risks associated with any recommendation to be made below. Further advice is available from the Risk & Insurance Manager in Resources. If there are no known risks, it should say so.*

## **Recommendations**

9. Executive is asked to note the contents of these key assessments and comment upon the outcomes described and further improvement work planned

*Reason :to support the continued improvement of services for the people of the city*

**Contact Details**

**Author:**

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**Chief Officer Responsible for the report:**

Pete Dwyer  
Director of Adults, Children and Education  
01904 554200

**Report  
Approved**



**Date** 9/12/10

**Specialist Implications Officer(s)** None

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

**All**  *tick*

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

**Background Papers:**

None

**Annexes**

Annex 1 - Assessment of Commissioning for City of York Council 2009/10:  
Performance Grading  
Annex 2 – Annual Children’s Services Assessment





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Mr Pete Dwyer  
Director of Adults, Children & Education  
City of York Council  
Mill House  
North Street  
York  
YO1 6JD

25 November 2010

Dear Mr Dwyer

**Assessment of Commissioning for City of York Council 2009/10:  
Performance Grading**

Following our letter of 4 October, I am writing to confirm your adult social care performance grading.

The performance grading for your council is as follows:

Delivery of outcomes: **Performing Well**

The performance grading and underlying judgements will be published today. The Assessment of Performance report for your council will also be available on the CQC website: <http://www.cqc.org.uk/findcareservices.cfm>

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jo Dent', with a horizontal line underneath.

Jo Dent  
Regional Director  
Care Quality Commission

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3 December 2010

Mr Pete Dwyer  
Director of Learning, Culture and Children's Services  
City of York Council  
Mill House, North Street  
York  
North Yorkshire YO1 6JD

Dear Mr Dwyer

## Annual children's services assessment

Ofsted guidance published in July 2010 explains that the annual assessment of children's services is derived from the performance profile of the quality of services and outcomes for children and young people in each local area. This performance profile includes findings from across Ofsted's inspection and regulation of services and settings for which the local authority has strategic or operational responsibilities, either alone or in partnership with others, together with data from the relevant indicators in the National Indicator Set (NIS).

In reaching the assessment of children's services, Ofsted has taken account of all inspected and regulated services for children and young people, arrangements for making sure children are safe and stay safe and performance against national measures. More weight has been given to the outcomes of Ofsted's inspections and regulatory visits (Blocks A and B in the performance profile).

The annual assessment derives from a four point scale:

4	Performs excellently	An organisation that significantly exceeds minimum requirements
3	Performs well	An organisation that exceeds minimum requirements
2	Performs adequately	An organisation that meets only minimum requirements
1	Performs poorly	An organisation that does not meet minimum requirements

Within each level there will be differing standards of provision. For example, an assessment of 'performs excellently' does not mean all aspects of provision are perfect. Similarly, an assessment of 'performs poorly' does not mean there are no adequate or even good aspects. As in 2009, while the performance profile remains central to Ofsted's assessment, meeting or not meeting the minimum requirements alone does not define the grade. The assessment has involved the application of inspector judgement.

## City of York Council children's services assessment 2010

<b>Children's services assessment</b>	<b>Performs excellently (4)</b>
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Children's services in the City of York Council continue to perform excellently.

The very large majority of services, settings and institutions inspected by Ofsted are good or better. The local authority's adoption and fostering agencies and its children's homes are good, as are the specialist sixth form and pupil referral unit. Of the two further education colleges inspected, one is good and the other adequate, a similar picture to that for special schools. The very great majority of nurseries and secondary schools are good or better. Primary schools are not doing quite so well. Inspection reports show that the large majority are good or better but almost a third are only satisfactory and one is inadequate.

An unannounced inspection of front-line child protection services identified several areas of satisfactory practice and some areas for development but there were no areas for priority action.

National performance measures show that the large majority of outcomes are in line with, or above, the averages for England and for similar areas. Results in national tests for 11- and 16-year-olds are above those for similar areas. However, there is a widening gap between the achievement of those from low-income families and others of the same age. The same is the case when young people with special educational needs are compared with their peers.

### Key areas for further development

- Reduce the gaps in achievement between young people from low-income families, and those who have special educational needs, and others of the same age.

### Outcomes for children and young people

Local arrangements to encourage children and young people to live healthy lives are very successful and all services are good or very good at this. Most outcomes are in line with those elsewhere. There has been a reduction in the number of five-year-olds who are very overweight and an increase in the number of children and young people taking part in physical activity and sport. However, take-up of school lunches at primary and secondary level is below the average for similar areas. Compared with the situation across the country, children and young people, including those in care, when asked say that they get on less well with their friends and families.

The very large majority of services are good or very good at keeping children and young people safe. The report on the recent unannounced inspection of front-line child protection services highlights the quality of the arrangements for referrals but also identifies inconsistencies in the quality of assessments. The most recent figures

show that almost all outcomes are in line with or above the averages elsewhere. However, the proportion of children who become the subject of a protection plan more than once has risen above the national average. On the other hand, every child who is to be adopted is quickly placed with a family, and the proportion of children in care who have been with the same family for two or more years is higher than the national average.

All the services inspected are good or better at helping children and young people do well and enjoy their learning. Almost all outcomes are in line with or better than elsewhere. Three to five-year-olds achieve as well as their peers in similar areas. The very large majority of children make the progress expected of them and, at the age of 11, their performance in national tests matches that of their contemporaries in similar local authorities. Achievement in secondary schools has improved steadily over the last five years. The number of 16-year-olds achieving good GCSE grades in five or more subjects, including English and mathematics, is higher than in similar areas. The number gaining two or more good grades in science has changed little in recent years and remains in line with similar local authorities. The number of 16- to 18-year-olds studying physics at A level has risen. At both primary and secondary levels, there is a widening gap between the performance of pupils from low-income families and others of the same age. The situation is the same when the achievements of pupils with special educational needs are compared with those of their contemporaries. Behaviour is good or better in the large majority of secondary schools. Persistent absence has fallen but at a slower rate than elsewhere, so that it is now worse than in similar areas.

Apart from the pupil referral unit, which is satisfactory in this respect, all providers are good or better at encouraging young people to take part in activities which will benefit themselves and their communities. On the majority of the national performance indicators that relate to 'making a positive contribution', the local authority's performance is in line with averages nationally or for similar areas. Despite recent improvements, the proportion of young people entering the youth justice system for the first time is higher than in similar local authorities. The proportion of young offenders in suitable education, employment or training is lower than the national average. In a recent inspection, the youth offending service was judged to be a high performing one.

Almost all providers give good or better support to young people to develop the knowledge, skills and qualifications needed to gain a job. One children's home and more than half of the boarding schools are only satisfactory at this. The proportion of working families on low income taking up their entitlement to childcare has risen to over a fifth. More young people are continuing in education and training beyond the age of 16. Another positive outcome is that, as in previous years, there are fewer 16- to 18-year-olds not in education, employment or training than in similar areas. However, only half of those leaving care continue in education and training or go into work. As in similar areas, the proportion of young people gaining five good GCSEs or the equivalent by the age of 19 has risen. However, 19-year-olds from low-income families do less well than others of the same age and their counterparts in similar areas. The proportion of all 19-year-olds in the local authority who have gained Level

3 qualifications (two A levels or the equivalent) is in line with the average for similar local authorities.

### **Prospects for improvement**

The local authority has succeeded in maintaining the excellent performance of its services and has conducted a clear analysis of strengths and areas for further improvement. There is a clear commitment to 'narrowing the gap between pupils who are vulnerable to underachievement because of their circumstances' and the local authority is tackling this in a number of ways, including its Learning City initiative. Schools have been provided with specific guidance, including teaching and learning strategies and advice on school and classroom management and sharing of information, in order to improve the situation. A recent Ofsted inspection showed how these approaches are also being used to support children of armed services families during their time in the city's schools.

This children's services assessment is provided in accordance with section 138 of the Education and Inspections Act 2006.

Yours sincerely

Juliet Winstanley  
Divisional Manager, Children's Services Assessment

Pre-publication