

Place Scrutiny Committee

21 July 2026

Report of the Director of City Development

York Central Mayoral Development Zone: Scrutiny Consideration

Summary

1. This report presents, at Annex A, the York and North Yorkshire Combined Authority paper proposing the creation of Mayoral Development Zones (MDZs), including a proposed York Central MDZ.
2. The Combined Authority is proposing the creation of three MDZs across York and North Yorkshire, which will benefit from a £10m MDZ Regeneration Fund and £500k of revenue capacity funding across the MDZ programme.
3. It enables Place Scrutiny Committee to consider the proposal from a City of York Council perspective and decide whether to make a recommendation to Executive on the Council's position.

Background

4. The Combined Authority paper proposes the designation, in principle, of Scarborough, the Selby Growth Corridor and York Central as MDZs. The purpose is to accelerate regeneration in key locations across York and North Yorkshire.
5. An MDZ is described as a flexible, non-statutory Mayoral designation for an area where regeneration is a priority. This differs from a Mayoral Development Corporation (MDC), which is a statutory delivery body with wider powers and higher set-up and running costs.
6. For York Central, the paper describes a nationally significant brownfield regeneration opportunity on former railway land west of York Railway Station, with outline planning consent, a joint venture partner appointed and major unlocking infrastructure nearing completion.

7. The Combined Authority paper states that an MDC is not required for York Central because land ownership and planning are not considered to be the main barriers. It suggests that an MDZ would help signal York Central as a Mayoral and regional priority, align government and funding commitments, and give confidence to investors and partners.
8. The proposal raises issues which Members may wish to consider before the Council reaches a formal position. These include whether York Central is appropriate for York's first MDZ, how any boundary should be defined, how MDZ governance would interact with the current review of York Central governance arrangements, how future or additional York opportunities could be considered by the Combined Authority, and how the Council can maximise the opportunities afforded by an MDZ.

Previous Discussions

9. York Central has been a long-standing strategic regeneration priority for City of York Council. The site is a critical element in the delivery of the City's Local Plan and offers significant opportunities to generate inward investment and improve social outcomes. Previously, the Council has supported the site through policy, funding, land, infrastructure and partnership decisions, while also acting as the local planning authority.
10. In November 2015, York Central was named as an Enterprise Zone following a joint bid by City of York Council and the York, North Yorkshire and East Riding Local Enterprise Partnership. Enterprise Zone status, which runs until 2052, allows a proportion of business rates generated on the site to be retained locally to help fund infrastructure.
11. Between 2017 and 2018, Executive supported the York Central masterplan, selected the western access option, approved submission of detailed planning applications for key infrastructure, and agreed land and compensation arrangements needed to bring the access road, bridge and spine road forward.
12. In November 2018, Executive considered the York Central Enterprise Zone Investment Case and agreed prudential borrowing of £35m, financed from future retained business rates, as part of a wider £155m infrastructure package.
13. In July 2020, Executive agreed further project funding, delegated authority to agree grant terms for £77.1m of infrastructure funding from Central Government, and approved land disposal arrangements to support relocation of rail infrastructure from the York Central site.

14. In April 2022, Executive delegated authority to enter into an Enterprise Zone funding agreement with Homes England to reimburse infrastructure costs and confirmed the Council's £35m contribution to enabling infrastructure.

Consultation

15. This cover report has been prepared to support Member discussion. It does not constitute public consultation on the Combined Authority proposal.
16. The Combined Authority paper states that the MDZ proposals have been discussed with, and are supported in principle by, the relevant constituent local authorities. Following agreement in principle, the Combined Authority would work with the relevant local authority and delivery partners to define the red-line boundary, primary aims and governance.
17. If Executive Committee is asked to determine the Council's position, it may wish to consider whether further engagement is needed with ward councillors, York Central partners, landowners, developers, statutory consultees, community representatives and other interested parties before a final position is communicated to the Combined Authority.

Issues for Member Consideration

18. Members may wish to focus their discussion on the matters where the Council can most usefully influence the next stage: whether York Central is the appropriate first York MDZ; whether the boundary should be limited to the existing York Central geography or include related station-area and city-centre growth opportunities; what governance role the Council should have; what transparency and reporting should be required; how this can best contribute towards the site's outcomes and any additionality that might be provided for the surrounding areas through implementing an MDZ with a broader boundary than the "teardrop" site.
19. The designation decision itself will sit within Combined Authority governance. The purpose of this discussion is therefore to shape the Council's formal position and the matters Executive may wish to raise with the Combined Authority, rather than to scrutinise the Combined Authority or substitute for its own overview and scrutiny arrangements.
20. The proposed decision pathway is that Scrutiny may advise Executive; Executive determines the Council's formal position; any future Council funding, land, property, highways or resource commitments return through the Council's normal governance processes;

21. It should be noted that statutory planning decisions, including reserved matters, remain with the Council in its capacity as local planning authority and must be considered on their own merits.

Options

22. Option 1:

Recommend to Executive that the Council supports, in principle, designation of York Central as a Mayoral Development Zone (MDZ), with Executive invited to seek assurance on governance arrangements, boundary, transparency, capacity, statutory roles, future Council commitments and wider city benefits.

23. Option 2:

Recommend to Executive that the Council does not confirm support at this stage and instead asks for further work on whether other York regeneration opportunities should be considered as future or additional MDZ candidates before reaching a final position.

Analysis

Option 1 – Support in principle the designation of York Central as a Mayoral Development Zone

24. The Combined Authority paper sets out a strategic case for York Central as a proposed MDZ. It describes the site as a nationally significant 45-hectare brownfield regeneration opportunity with outline planning permission, a joint venture partner appointed and £135m of unlocking infrastructure nearing completion.
25. The paper identifies York Central as a major driver of regional growth, with potential to deliver around 3,000 homes, up to 40% affordable housing, 1.4m sq. ft. of commercial and retail floorspace, jobs, public realm, an expanded National Railway Museum and wider economic benefits.
26. On that basis, supporting an MDZ would be consistent with both City of York Council's and the Combined Authority's view that York Central is advanced, investible and strategically significant. The designation could help maintain momentum, strengthen confidence and support alignment between government, the Combined Authority, Homes England, landowners, developers and other partners.
27. The paper also presents an MDZ as a proportionate mechanism because it would not create a statutory delivery body or replace existing planning

and delivery structures. Its main value would be coordination, prioritisation, funding alignment and investor confidence.

28. This option would allow the Council to engage positively while shaping the boundary, governance and delivery framework. It would also allow the Council to make clear that support is for a non-statutory designation which does not transfer or dilute City of York Council's statutory planning, highways, land or democratic decision-making responsibilities.
29. The main risk is that support could be perceived as endorsing York Central as the only priority location before wider York opportunities have been fully considered. However, York Central is the only York opportunity identified in the Combined Authority paper and is the most mature and immediately investible site within the City Development portfolio. The Committee could therefore distinguish between support for York Central as the immediate MDZ opportunity and further work on future or additional York opportunities.
30. Members may wish to consider the practical significance of the MDZ "badge". Although non-statutory, the designation would signal Mayoral priority and provide a recognised framework for coordinated development and investment.
31. Conversely, if the Council is seen as delaying or withholding support, this could be interpreted externally as a lack of local alignment at a point when the scheme is moving from planning and infrastructure preparation into delivery.
32. Members may also wish to consider the capital enabling funds. The Combined Authority paper proposes a £10m MDZ Regeneration Fund and £500k of revenue capacity funding across the MDZ programme which may be beneficial in realising inward investment in site opportunities including the Innovation Hub.
33. Executive could therefore seek a wider discussion with the Combined Authority and Homes England about how the York Central MDZ can support a broader York growth and investment approach, including investor engagement, related sites, city-centre and station-area growth, and the capacity needed to maximise benefits for the city.
34. The case for support is therefore not only about access to a limited funding pot. The stronger argument is that an MDZ could provide a platform for delivery confidence, government alignment, investor perception and additional capacity, provided it adds value to existing York Central governance rather than duplicating it.

35. For these reasons, Option 1 could be supported if the Council's support is framed as support in principle and accompanied by clear asks on boundary, governance, transparency, statutory roles, access to MDZ capacity funding, wider York growth and investment support, and protection of future Council decision-making.

Option 2 – Ask for further work on other potential York sites before the Council confirms its position

36. The alternative option is for the Committee to recommend that Executive does not confirm support for a York Central MDZ at this stage and instead asks for further work to assess whether other York sites should be considered as future or additional MDZ candidates.
37. York Central is already a mature regeneration programme with planning status, delivery partners and significant infrastructure investment secured or nearing completion. Members may therefore wish to test whether designation should be limited to York Central at this stage, or whether a future York MDZ pipeline should also be developed for discussion with the Combined Authority.
38. The advantage of this option is that it would allow a fuller citywide assessment before the Council signals support for a Mayoral designation. Sites could be compared against criteria such as deliverability, housing and economic benefit, brownfield regeneration, infrastructure need, inclusive growth, funding potential and alignment with the existing and forthcoming Local Plan. This would provide a transparent local view without substituting for the Combined Authority's own regional prioritisation.
39. The disadvantage is that further work could delay the Council's ability to influence the York Central MDZ while the Combined Authority is actively progressing designation. It could also be read as a lack of support for York Central, despite both the Council and Combined Authority's view that the site is one of the region's largest and most advanced regeneration opportunities.

Council Plan

40. The proposal links to the Council Plan priorities for a fair, thriving, green and connected city. York Central *will* support new homes, employment, public realm, sustainable travel, culture, skills and inward investment, which are key outcomes for the successful delivery of the City's Local Plan.

41. Members may wish to recommend that any Council support is explicitly linked to inclusive growth, affordable housing, climate and environmental outcomes, active and sustainable travel, community benefit and high-quality place-making.

Implications

Financial

42. There are no direct financial implications arising from this scrutiny cover report. The Combined Authority paper proposes a ringfenced £10m capital MDZ Regeneration Fund and £500k capacity funding from Combined Authority resources. Any City of York Council financial commitments from future MDZ activity would require separate consideration through the Council's governance processes.

Human Resources (HR)

43. There are no direct HR implications arising from this report. Officer capacity may be required if the Council participates in boundary, governance, delivery framework or funding discussions with the Combined Authority.

Equalities

44. There are no direct equalities implications arising from this cover report. Any future Council decision should consider how regeneration benefits would be shared, including accessibility, affordable housing, employment opportunities and impacts on communities affected by development.

Legal

45. The Combined Authority paper states that MDZs are informal, non-statutory designations and do not have formal legal status. Before any Executive decision, the Council should satisfy itself that support for an MDZ would not prejudice or fetter its statutory roles, including planning, highways, consultation, land, governance and decision-making functions. In particular, any support for an MDZ must not predetermine future planning decisions or reserved matters, which must continue to be considered on their own merits.

Crime and Disorder

46. There are no direct crime and disorder implications arising from this report. Future regeneration proposals should consider community safety, natural surveillance, public realm design and safe access through and around York Central.

Information Technology (IT)

47. There are no direct IT implications arising from this report.

Property

48. There are no direct property implications arising from this cover report. York Central involves significant land and property interests; any Council property implications from future MDZ activity would need to be considered separately.

Other

49. Other implications may include planning, transport and highways, environment, climate change, economic development, skills and communications. These would require further assessment if Executive is asked to take a formal decision or if specific projects are brought forward through an MDZ delivery framework or business case.
50. It is noted that the provision of an MDZ would not prejudice any of the Council's statutory functions.

Risk Management

Risk	Consequence	Mitigation / consideration
There may be missed opportunities around other sites within the City.	Failure to capitalise upon the most beneficial opportunities for the City.	Committee can recommend that Executive support is conditional or that further work is undertaken.
Potential confusion between existing York Central arrangements, Council roles and CA advisory structures.	Delayed and confused decision making and accountability surrounding the York Central site.	Seek clear boundary, terms of reference, reporting arrangements and Council

		representation before final support.
Future financial or delivery expectations	Council may be assumed to support future commitments beyond the principle of an MDZ.	State that any future Council commitments require separate decisions.
Perception that formal position has already been taken	Member confidence may be reduced if previous informal support is seen as replacing formal local governance.	Clarify that scrutiny is advising Executive, that any earlier support was informal engagement, and that future Council commitments require separate decisions.

Recommendations

51. Members are asked to consider the Combined Authority paper at Annex A and determine whether they wish to make a recommendation to Executive on the Council's position in relation to the proposed York Central MDZ.
52. Recommended Option: Option 1. Members are asked to consider recommending to Executive that the Council supports, in principle, the designation of York Central as a Mayoral Development Zone, with Executive invited to seek assurance on the following matters before confirming the Council's formal position to the Combined Authority:
 - the Combined Authority and Homes England provide clarity on the capacity and investment support that would accompany the MDZ, including whether a wider York growth hub or investment team approach could support investor engagement, unlock related opportunities and maximise wider economic benefits for the city;
 - the proposed red-line boundary is developed with the Council and reported through appropriate governance before designation;
 - any governance or advisory board arrangements include appropriate City of York Council representation, interface clearly with existing York Central governance, and provide suitable transparency and reporting;

- support for a York Central MDZ does not preclude future discussions with the Combined Authority about other York regeneration priorities;

53. Reason: This approach allows the Committee to shape the Council's formal position while supporting the strategic opportunity presented by York Central. It ensures that Executive considers local democratic accountability, boundary, governance, transparency, capacity, wider city benefits and protection of the Council's statutory responsibilities before confirming the Council's position to the Combined Authority.

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Report
 Approved

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Date 13/7/26

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

All ☒

For further information please contact the author of the report

Background Papers:

Annexes

Annex A: York and North Yorkshire Combined Authority Cabinet report - New Mayoral Development Zones for York and North Yorkshire.

Abbreviations

CA	<i>York and North Yorkshire Combined Authority</i>
CYC	<i>City of York Council</i>
MDZ	<i>Mayoral Development Zone</i>
MDC	<i>Mayoral Development Corporation</i>
MDA	<i>Mayoral Development Area</i>
NRM	<i>National Railway Museum</i>