

Chief Executives' Group – North Yorkshire and York

6 September 2018

Report of the York, North Yorkshire and East Riding (YNYER) Directors of Development Group

1.0 Purpose of the Report

- 1.1 To update members of the Chief Executives' Group as to the work and progress of the YNYER Directors of Development Group.

2.0 Background

- 2.1 This report advises and updates members of the Chief Executives' Group of the work of the Directors of Development Group (DoDs) and the key issues arising.

- 2.2 The Directors of Development Group met on 16 August 2018. The principal items of business addressed at the meeting related to:

- Housing delivery, unimplemented planning consents and potential interventions
- Developing a 'housing deal' for YNYER
- Emerging work on a local energy strategy and in relation to the circular economy
- Mobile telephone coverage
- YNYERH Spatial Framework
- Developing a transport projects pipeline.

3.0 Housing Delivery, Unimplemented Planning Consents and Potential Interventions

- 3.1 Previous reports of the work of the Directors of Development (DoDs) have highlighted work to commission a report setting out options and recommendations for taking action to understand and tackle the reasons underlying why key housing sites with planning consent are not being built-out.

- 3.2 A report has now been commissioned from GVA Consulting and its findings were presented to Directors at the meeting. The report confirmed that there are a range of reasons underlying why residential planning consents are not necessarily built out including: unrealistic local authority expectations; market performance; infrastructure requirements; complex legal and ownership structures; and changing goalposts (eg flood zone changes).

- 3.3 Directors considered the findings of the presentation, concluding that the appropriate next steps were to finalise the report and pursue conversations with Homes England regarding larger stalled sites over 250 units.

4.0 Towards a Housing Deal for YNYERH

- 4.1 Previous reports have also highlighted the work done by the DoDs to develop a Housing Deal for YNYER. This follows on from previous discussions with the Chief Executive of the Homes and Communities Agency (now Homes England) Nick

Walkley. He advised that a strong and committed housing offer from the sub-region would be welcomed, and indeed would be critical for YNYERH to compete successfully with other parts of the country for Homes England (HE) funds. In response to this, DoDs has begun the task of developing a sub-regional 'Housing Deal' to be put, in due course, to HE.

- 4.2 Against a back-drop of a rising trajectory of housing completions over recent years within the YNYER area, Directors were presented with a final draft document for their consideration to seek to build upon and accelerate this trend. The draft 'Deal' focuses around three cross-cutting themes:

Theme 1 - MOD Sites and Opportunities

- i.* **A single point of contact in Government** around released MOD sites in our area – to speed up key strategic decisions and delivery
- ii.* **A direct route to investment to deliver sustainable housing at scale on released MOD sites**, particularly in relation to Accelerated Construction and HIF funding, with £130m to overcome viability and infrastructure challenges and provide a range of type, size and tenures of new homes

Theme 2 - Delivering Off Site Manufactured Homes (OSM)

- iii.* **A capital investment package of £53m** to support direct delivery of OSM on Council owned sites, including gap funding where this is more costly than traditional build and to de-risk and fund infrastructure to provide serviced sites

Theme 3 - Rural Housing Delivery

- iv.* **Homes England to increase funding** above standard grant levels to allow us **to support and increase delivery of affordable homes on rural sites**, particularly on those of less than 10 units, in partnership with our Rural Housing Enabler Network
- v.* Support for our area to be a **Revolving Rural Land Bank** pilot

- 4.3 Directors broadly welcomed the draft Deal and after discussion tasked that further refinements be made including in relation to the delivery of affordable homes and deliverability. With these amendments dialogue will now commence with Homes England to seek to secure a housing deal for the sub-region.

5.0 Local Energy Strategy and the Circular Economy

- 5.1 Katie Thomas of the YNYER LEP presented the Directors with an overview of her developing work to develop a more broadly based energy and low carbon strategy for the YNYER area, and within this to consider how it might embrace the principles underpinning the notion of the 'circular economy'. The latter seeks to maximise the use, value and future sustainability of raw materials and other systems that underpin economic, social and environmental health. As this work is at an early stage, Directors were given the opportunity to comment upon it and shape it ahead of stakeholder workshops being held during the Autumn.

6.0 Mobile Telephone Coverage

- 6.1 Poor levels of good quality mobile and broadband coverage within the more rural parts of the sub-region essentially arise from market failure to deliver. One of the more significant costs facing operators is that of the Business Rates levied on mast infrastructure. As such, Directors were asked to consider and support a proposition whereby District Council's provide a National Non Domestic Rate (NNDR) holiday to mobile infrastructure providers within rural areas for a period of 7 years and to see what can be done to assist in rural expansion of mobile coverage.
- 6.2 In response to the report, Directors agreed to the principle of the NNDR holiday for 7 years, but requested an updated report is taken to the LGNYY Board for approval, setting out how the relief would be applied in practice.

7.0 YNYERH Spatial Framework

- 7.1 Directors were given a brief update in relation to the current status of the YNYERH Spatial Framework. They were advised that the LGNYY Board had endorsed and supported the document, including the key recommendations emerging through Phase 2 development work undertaken over the past few months. They agreed the basis upon which the document should be updated and refreshed to reflect these, and agreed that a further report be brought to the Group in due course to frame a discussion as to how the finalised document should be made publically available; where it should be hosted; and any communications strategy that should accompany its release.
- 7.2 Directors were also reminded that the responsibility to drive forward detailed work within each of the identified Strategic Development Zones (SDZ) lies with the Districts and Unitaries within whose area they fall. This work should also be undertaken when those authorities feel that the time is right for them. Initial discussion took place around commencing work first on the M62 Energy Corridor SDZ given a number of growth opportunities and aspirations having been identified there. The relevant Directors undertook to discuss together how this might be done in more detail within the context of the methodology agreed by the LGNYY Board.

8.0 Transport Projects Pipeline

- 8.1 Directors received a report from North Yorkshire County Council (NYCC) outlining the process by which it proposes to engage with local District and Borough Councils to develop a pipeline of bid ready transport infrastructure projects. The way in which NYCC receives most funding for transport improvement projects in recent years has been through funding bids. Often opportunities for these are announced ad-hoc, with little time to prepare for the submission of a bid. Learning from experience, NYCC wants to work with the local planning authorities to develop a pipeline of 'bid ready' schemes. Having a pipeline of bid ready schemes will put the County Council in a much stronger position when funding opportunities are announced.
- 8.2 The approach proposed and supported by the DoDs will commence with a series of workshop style sessions with each of the local planning authorities. These workshop sessions will focus around what the district believes to be the main constraints impacting upon its growth aspirations ahead of discussion as to what interventions might be necessary. Following the workshop sessions, DoDs will be asked to complete a proforma including details of the scheme, costs (if known), key stakeholders and local contributions. DoDs will also be asked to prioritise their schemes upon submission to NYCC.

8.3 Upon receipt of these prioritised pro-formas, the County Council will apply a sifting process with potential schemes reviewed against their contribution to a series of objectives. The highest priority is likely to be afforded to the chances of attracting Government funding and deliverability. Once the sifting process has taken place, a maximum of one or two schemes will be taken forward per year to be developed to a bid ready stage. Having gained the support of Directors, a programme of workshops will now be scheduled to get the process underway.

9.0 Recommendations

9.1 That Chief Executives note the recent and on-going work of the YNYER Directors of Development Group.

DAVID BOWE

Corporate Director - Business and Environmental Services, NYCC

In the capacity of Chair of the YNYER Directors of Development Group