



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	14 FEBRUARY 2013
REPORT OF THE:	HEAD OF ECONOMY AND INFRASTRUCTURE JULIAN RUDD
TITLE OF REPORT:	RYEDALE DEVELOPMENT FUND
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To consider the allocation of the £370K Ryedale Development Fund (RDF).

2.0 RECOMMENDATIONS

- 2.1 That Council is recommended to approve that:

- (i) RDF funding be allocated for the following:
 - a) Ryedale Employment Initiative £150K
 - b) RDC Apprentice Scheme £100K
 - c) Ryedale Business and Skills Initiative £20K
 - d) Ryedale Major Projects £100k;
- (ii) the distribution of funds under the 'Ryedale Employment Initiative' be made by the Council following an assessment of applications by the Policy and Resources Committee;
- (iii) that the RDC apprentice scheme and 'Ryedale Business' and 'Skills Initiative' as outlined in the report be implemented; and
- (iv) RDF funding towards the development of 'Ryedale Major Projects' be considered through a report to a future meeting of the Policy and Resources Committee, with a recommendation to Council.

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The re-convened meeting of Council on 20 November resolved in relation to the use of the 2012/13 allocation of New Homes Bonus:

'That Council approve in principle that the entire allocation, subject to making

provision for continuation of CCTV and Norton Skateboard Park, of £439,779 is ringfenced into a Ryedale Development Fund for spending on projects which deliver or protect employment within Ryedale. The allocation of this funding to be made by Council based on recommendations from the Policy and Resources Committee.'

- 3.2 The 6 December 2012 meeting of the Policy and Resources Committee considered the outline details of a range of potential projects for inclusion within the Ryedale Development Fund (RDF). It resolved that:

'That following consideration of the potential uses for the Ryedale Development Fund, the following projects were prioritised:

- a. Development and investigation of potential economic projects.
- b. Derwent Training Association expansion
- c. Apprenticeship Development + expanded RDC employment package (combined).
- d. Youth Enterprise
- e. Ryedale Economic Focus

Detailed reports on these priorities would be brought to future meetings of the Committee, in order to make recommendations to Council on the allocation of part of the fund.'

- 3.3 The uses for funding that are detailed in Annex A reflect this resolution, taking account of the recently agreed Ryedale Economic Action Plan and discussions with potential partner organisations. These also take account of national and local initiatives and opportunities, including the role of this Council as a significant employer in Ryedale.

4.0 SIGNIFICANT RISKS

- 4.1 These proposals for use of the RDF are based upon the REAP and discussions with partner organisations and local businesses. They reflect the priority areas identified by the 6 December 2012 meeting of this Committee. These factors, together with the measurable outcomes and timescales and risk levels identified in Annex A, plus the planned reviews after Years 1 and 2, mean that there are no significant risks associated with the report.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The Council has a corporate aim of creating the conditions for economic success. The detailed approach of the Authority is set out in the Ryedale Economic Action Plan 2012-15 (REAP). This identifies a range of actions under the headline objectives of 'To have economic structure and supporting infrastructure in place' and 'Opportunity for people and business; ensuring Ryedale businesses are at the centre of economic development and local people are equipped with the skills required by our businesses'. The actions from the REAP are attached at Annex B. The REAP was informed by the outcome of consultations with local businesses and organisations during 2012.
- 5.2 The proposed target areas of spend in Annex A take account of the priorities in the REAP, together with those of the York and North Yorkshire and East Riding Local Economic Partnership (LEP).

REPORT

6.0 REPORT DETAILS

- 6.1 To identify the most effective and efficient uses of a 'Ryedale Development Fund' officers held discussions with the York, North Yorkshire and East Riding Local Economic Partnership (LEP) and other key economic partners and considered funding and other initiatives that are currently available for economic development purposes, such as the 'Growing Places' fund. Consideration was also given to lessons learnt through earlier initiatives, such as the Council's Business Grants Scheme in 2010.
- 6.2 The resulting list of options for the use of the Ryedale Development Fund were presented to the December 2012 meeting of this Committee and five priority areas (listed in 3.2 above) were identified for further investigation and development.
- 6.3 Officers have considered these priority areas and have taken account of Member's views. Further discussions have been held with a number of partners and with some local businesses, and some expressions of interest were received for potential projects. Officers have sought to develop a flexible approach that takes account of risk and of the expected outcomes and rate of delivery.
- 6.4 The table at Annex A sets out four proposed strands for the Ryedale Development Fund, three of which are recommended to be put to Council for approval at this stage. The fourth strand, Ryedale Major Projects, is recommended for further consideration through a report to a future meeting of this Committee.
- 6.5 Annex A identifies the detail of the proposed streams, their timeframe, expected outputs, proposed budget, expected spend profile and the risk to delivery. The four proposed streams are:

a) Ryedale Employment Initiative £150K

- This initiative is a competitive process whereby companies and organisations bid for funding in return for a guaranteed delivery of employment, including apprenticeships, over a specified period of time. The funding could be used to support the costs of an apprentice or employee - or could be used to fund equipment or capital expenditure (such as proposals for additional training space that this Committee supported in December 2012) - that could be shown to deliver comparable benefits, in terms of a guaranteed job / apprenticeship over a specified minimum period of time.
- Applicants would be able to seek further support through the National Apprenticeship Scheme, where applicable. Officers would work with companies and organisations to assist in their appraisal of each application and recommend those that delivered the best value for money, taking account of the number and quality of posts being provided, together with any other material factors identified in the agreed criteria for the scheme.
- Companies and organisations from across Ryedale District could apply, including those in the North York Moors National Park.
- Officers have been in discussion with colleagues at other authorities regarding the detail of similar schemes offered. It is proposed that, should Members support the principle of the Ryedale Employment Initiative, that the criteria and detailed approach to be followed be agreed at the 4 April 2013 meeting of this Committee. This will allow additional weighting to be given to appropriate

factors e.g. opportunities for younger people, including recent graduates, and / or specific sectors etc.

- Member should note that under employment law it is not possible to restrict the take up of posts to people living in Ryedale – however, locational factors tend to mean that apprentice posts in particular will be taken up by local people.

b) RDC apprentice scheme £100K

- A variant of the RDC employment package that was supported by this Committee in December 2012. This expanded £100K scheme will see the employment of up to 10 apprentice posts within the Authority over a two year period.
- In addition, in order to deliver streams a), c) and d) to full benefit, a 2-year graduate placement (£28K per annum) is required within economic development. This graduate post is not included within the proposed RDF package of £370K but could be given consideration when Members allocate the 2013/14 NHB income of £707K.

c) Ryedale Business and Skills Initiatives £20K

- To support the following events and actions and initiatives resulting from these activities:
 - § Ryedale Skills Summit in Spring 2013 e.g. mentoring support, with business planning, investigate potential for short-term use of empty premises to accommodate new businesses.
 - § Ryedale Business week
 - § Rural Innovation Summit, in partnership with FERA and the LEP

d) Ryedale Major Projects

- Working in cooperation with partner organisations, to undertake the necessary investigatory work and project development to advance major capital projects (to provide employment and economic growth) to the point of construction. This detailed information is required in order to establish the costs, viability, deliverability and value of major projects and is also essential in order to make robust bids for funding sources such Growing Places and, if available, the District Council's capital programme. This would fund technical studies and investigations, including transport and highways studies, architectural and design work, site investigations into issues such as ground conditions, ecology, arboriculture, flood risk. It would also be used to fund feasibility investigations, where required. Wherever available, officers would utilise external funding sources to cover such costs, in preference to drawing upon this pot.
- The prospective projects to be advanced are identified in Annex A. Given the extensive list of potential projects is considered that these should be refined through a further report to a future meeting of this Committee, with a recommendation to Council then made on the spend in relation to this work area.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

These proposals, once implemented, would utilise the £370K of NHB that was allocated to the RDF. The £370K is drawn from the 2012/13 NHB allocation of £439,779. A further allocation of £707,942 will be available for allocation and utilisation from April 2013.

RDC NHB Allocations	2011/2012 NHB	2012/2013 NHB	2013/2014 NHB
Year 1	214,540	214,540	214,540
Year 2	-	225,239	225,239
Year 3	-	-	268,163
Total Received/Due	214,540	439,779	707,942

- b) Legal
Compliance with employment law is an important consideration in setting the criteria of the Ryedale Employment Scheme.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)
These initiatives seek to enhance employment and training opportunities in Ryedale to the benefit of both Ryedale employers and residents, including the vulnerable and isolated.

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Background Papers:
None.

ANNEX A

Ref	Project	Project Timeframe	Output	Budget	Spend Profile		Risk to delivery
					2013/14	2014/15	
	To be considered at Council 7 March 2013						
a	Ryedale Apprenticeship and Employment Scheme: <ul style="list-style-type: none">Revenue and capital projects that will deliver apprenticeships and jobsCompetitive bidding process assessment criteria to include cost per apprentice place, security, prospects of employment.Criteria and process to be agreed at 4 April 2013 P&R.Companies and organisations from across Ryedale District could apply – including those in the North York Moors National Park.	2013 to 2015	Minimum of 7 apprentice places a year (14 in total)	£150k	£75k	£75k	Medium
b	RDC Apprentice Scheme – up to 10 apprentice posts	2013 to 2015	Up to 5 apprentices in each year	£100K	£50k	£50k	Low
c	Ryedale Business and Skills Initiatives: <ul style="list-style-type: none">Skills summitInfluencing schools enterprise agendaAddressing skills gaps in RyedaleRural Innovation Conference with FERARyedale Business Week	2013 to 2015	<ul style="list-style-type: none">Skills summitInnovationConferenceIncreased participation in vocational trainingAlignment between training providers and employers	£20K	£10k	£10k	Low
	Total			£270k	£135k	£135k	

To be considered following further project development work – to be considered at Council 16 May 2013							
d	Ryedale Major Projects: <ul style="list-style-type: none"> • Bring forward Derwent Park as major mixed use site • Expansion of Derwent Training to support engineering sector – potential to add managed workspace • FERA Applied Innovation Campus • Further A64 improvements – junctions/safety/journey time • High speed broadband to Ryedale Business Parks • KMS engineering park • Malton Livestock Market • Malton Public Realm • Milton Rooms as a hub for the creative economy • Provision of employment land at Pickering • Public transport facilities at Malton and Norton 	2013 to 2015	At least 3 major schemes in progress by 2015	£100K	£30k	£70k	High
	Total			£100k	£30k	£70k	

Items a,b and c will be evaluated after year one with a report to Policy and Resources Committee. Item d will be evaluated after year two.

The Ryedale Economic Action Plan – Aims, Objectives and Actions

Ryedale District Council's aim is to create the right conditions for economic success in Ryedale. We translate this into two key objectives;

- A) To have economic structure and supporting infrastructure in place;
- B) Opportunity for people and business; ensuring Ryedale businesses are at the centre of economic development and local people are equipped with the skills required by our businesses.

Objective A: To have economic structure and supporting infrastructure in place;

A1 Provision of employment land

- Through the LDF Employment Land Review, to ensure that business have sufficient room for development and growth. Provision of information to potential investors.
- Employment land at Pickering. Investigating potential for investment in industrial site development.
- Supporting key strategic employers to expand and develop.
- Supporting the development of mixed use development on key sites in Ryedale to promote economic development and reduce the housing affordability gap.

A2 Provision of Work space:

- Provision of information to investors and businesses regarding availability of workspace, across all sectors in Ryedale.
- With partners, ensure the provision of a range of industrial letting units and office type accommodation around Ryedale, including quality accommodation and sites suitable for technology and office sectors. (These may be provided by the private sector).
- Develop managed workspace and training services at York Road (Malton) potentially in partnership with Derwent Training Association.
- Woolgrowers / Derwent Park project for employment and mixed use.
- Connections with Science City York & Food and Environment Research Agency – provision of quality commercial scientific laboratories.

A3 Housing: to consider the implications of new housing development to the local economy in terms of provision of accommodation for skilled people and local workers.

A4 Communications and Transport Infrastructure:

- Brambling Fields – Norton. Continued development of the A64 junction to open up employment land in Norton.
- Further A64 improvements to unlock development potential in key employment areas.
- Lobby and develop high speed broadband and mobile phone coverage to Ryedale's business parks and rural communities and promoting the benefits of this to business.
- Recognise the importance of the Malton rail link and to improving public transport facilities to support the role of Malton and Norton as a transport hub for Ryedale.

A5 Malton public realm improvements

Objective B: Opportunity for people and business; ensuring Ryedale businesses are at the centre of economic development and local people are equipped with the skills required by our businesses.

B1 Maintain economic intelligence through data management and Key Account Management – supporting our key employers and horizon scanning for new economic

strengths and threats.

B2 Ryedale Work and Skills Partnership projects

- Apprenticeships development.
- Addressing skills gaps for local business (new starters to graduate recruitment).
- Preparing for economic drivers (such as the Off Shore Wind Farm project).
- Influencing schools' enterprise agenda.
- Skills Summit (linking employers with schools).

B3 Supporting the business life cycle

- Supporting new business start ups and improving business survival rates.
- Support business growth – research, inward investment and export.

B4 Developing the RDC Corporate approach to businesses – “Ryedale’s a great place to do business”

- Corporate Business Group to provide a proactive approach to business support.
- Ryedale Business Week.
- Link to existing “Engineering Week”.
- Supporting businesses through the planning application process and to understand the Local Development Framework.

B5 Sector specific support:

- High Technology Manufacturing – link to employment land provision and skills provision.
- Visitor and Creative Economy – supporting business led initiatives, product development and community owned facilities. Creative Economy Commissioning project.
- Social Economy – supporting the Coalition Government’s localism agenda through social enterprise.
- Agri Food – local food promotion and food manufacture support.
- Land-based Industries - working with partners to support businesses in the land-based sector.

B6 Market Towns - promotion of vital and viable town centres, through engaging with local businesses and supporting private sector initiatives. Working with businesses and residents on their local initiatives, particularly those aspirations identified in the LDF such as promotion of local heritage, retailing or social enterprise facilities.

B7 Sustainable business – promoting the ‘green’ economy for business growth.