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<b>PART A:</b>	<b>MATTERS DEALT WITH UNDER DELEGATED POWERS</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>2 FEBRUARY 2017</b>
<b>REPORT OF THE:</b>	<b>EXTERNAL PARTNERSHIPS LEAD</b>
<b>TITLE OF REPORT:</b>	<b>RYEDALE DEVELOPMENT FUND - PROGRESS AND NEXT STEPS</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 To assist delivery of the Ryedale Economic Action Plan 2016-20 through reallocation of unspent elements of the Ryedale Development Fund (RDF). In addition, an additional priority project is proposed for the Ryedale Economic Action Plan 2016-20.

### **2.0 RECOMMENDATIONS**

- 2.1 It is recommended that:

- (i) £35,334 from the 'Ryedale Employment Initiative' strand be re-allocated to delivery of the REAP objective 3 - Inspired People to support '3(a) School Based Activities' and '3(b) Business Employability Charter'.
- (ii) £25,000 from the 'Major Projects' strand be reallocated to REAP objective '4(b)i Malton and Norton Internal Junctions', specifically as the Council's contribution towards project development/feasibility work to enhance rail parking and measures to reduce congestion at the rail crossing, Norton.
- (iii) Dalby Forest: Forest Artworks project be included as a major project in the Ryedale Economic Action Plan, under 'Successful and Distinctive Places'.

### **3.0 REASON FOR RECOMMENDATIONS**

- 3.1 To utilise existing funding to advance delivery of 'Priority Economic Projects for delivery 2016-20' (as agreed at Council on 14 April 2016), specifically 'Skills Initiatives' and 'Enhance rail parking and measures to reduce congestion at the rail crossing, Norton'.
- 3.2 To update the Ryedale Economic Action Plan to reflect strategic opportunities.

#### **4.0 SIGNIFICANT RISKS**

4.1 Risks are highlighted in Appendix A.

#### **5.0 POLICY CONTEXT AND CONSULTATION**

5.1 The Ryedale Economic Action Plan 2016 - 2020 was adopted in April 2016 following consultation with partners and represents the Council's detailed policy and prioritisation of economic projects. In addition, 'Creating Economic Success' is one of the Council's corporate aims.

### **REPORT**

#### **6.0 REPORT DETAILS**

6.1 During 2013 members agreed that £370k of the Council's New Homes Bonus should be 'ringfenced into a Ryedale Development Fund for spending on projects which deliver or protect employment within Ryedale'. This funding was split into 4 work strands, taking account of the priorities in the Ryedale Economic Action Plan 2012-15 and consultation with key partners including the LEP:

- Ryedale Employment Initiative £150K
- RDC Apprentice Scheme £100K
- Ryedale Business and Skills Initiative £20K
- Ryedale Major Projects £100k

6.2 A summary of the outcomes of these allocations is set out below, together with details of any unspent funding:

##### **Ryedale Employment Initiative**

This grant scheme was for local businesses to support apprenticeship employment and training equipment. Following approval by Council in September 2013, grants were offered to 13 businesses and grants totalling £84,666 have been claimed to date. 19 apprentices were employed under this scheme, achieving a range of qualifications including;

- Electrical Technician
- Business Administration and Customer Services
- Catering
- Auto Cad Technician
- Mechanical Engineering
- Welding & Fabricating
- ICT
- Art Management
- Advanced Engineering
- Electrical Engineering

All the businesses to which grants were offered have either claimed their grant, or have indicated that the grant is no longer required due to market conditions / business circumstances. In addition, £30K was reallocated to the RDC Apprentice Scheme (see below) to extend the apprenticeship of 2 of the appointed candidates.

*£35.3k available for reallocation.*

### **RDC Apprentice Scheme**

Funding for the employment of 10 apprentices within the District Council. Following the recruitment process, 7 apprentices joined the authority for a two year period and one for a three year mechanic apprenticeship. Qualifications gained include:

- Year 1: NVQ level 2 and Technical Certificate/Functional skills
- Year 2: NVQ level 3
- Year 3: NVQ level 4.

The apprentices subsequently went onto secure employment and / or training following their tenure at RDC.

*No funds remaining.*

### **Ryedale Business and Skills Initiative**

To support a range of skills related initiatives, including the Skills Summit. Two Ryedale Skills Summits, two 'Inspire and Explore' days (young people visiting local employers to understand career opportunities and pathways) and Opportunity Knocks Careers events have been held as a result of this expenditure.

*No funds remaining.*

### **Ryedale Major Projects**

Council in May 2014 allocated funding to the following major projects to bring them forward to the 'investment ready' stage:

- Malton Livestock Market - up to £25K as an interest free loan.  
Significant progress has been made on the development of the Food Enterprise Zone site in preparation for the relocation of the Livestock Market. £2.1m is being drawn down from the Local Enterprise Partnership's Growth Deal to support infrastructure development and the Local Development Order has been recommended by Planning Committee for approval by Council. Plans for the relocation of the livestock market are currently under negotiation and so the £25k allocation remains committed unless it becomes clear that it is not needed.  
*No funds available at this stage.*
- Milton Rooms Improvement - Up to £25K  
Funding of £23.3k is committed to enable the Milton Rooms to progress designs to RIBA Stage 3 "Developed Design", including submission of applications for Planning and Listed Building Consent. Match funding has been sourced from Malton and Norton Town Councils and the Milton Rooms own funds. Architects have been appointed and work to date has included consultation with key stakeholders (including Fitzwilliam (Malton) Estate, potential partners and building users) and development of initial designs. A developed design brief has been refined and agreed with the Milton Rooms for the next stage of work and this will progress further once a Stage 1 application to the Heritage Lottery Fund has been submitted (expected to be early-mid 2016/17) and its outcome is known. All committed funding is due to be spent by the end of 2016/17.  
*£1.7k remaining - it is recommended that this remains allocated to the project as a contingency to allow for unforeseen eventualities.*
- FERA National Agri Food Innovation Campus - Up to £25K  
This funding has not been drawn down and the site is now owned by the private sector. Enhanced access to site is to be considered as part of A64 upgrade options.  
*£25k available for reallocation.*

- A64 Improvements - £20k  
The funding was combined with similar contributions from NYCC and Scarborough BC to deliver the A64 Scheme Identification and Feasibility Study, which has been submitted as evidence for Highways England's Route Management Strategy. The Study identified outline business case and alignment options for dualling between Crambeck and Malton and a series of localised improvement schemes between Norton and Staxton roundabout.  
*No funds remaining.*
- Malton to Pickering Cycleway Feasibility - £3k  
Allocation of £3k utilised to fund feasibility study undertaken by Sustrans. Draft study has been produced, consulted upon with local Members and parish/town Councils and final amendments agreed. Officers will continue to investigate potential funding options for detailed designs and implementation of the cycleway.  
*No funds remaining.*

6.3 Detailed progress on all these projects is indicated on the Covalent Performance Monitoring system and reported quarterly on the REAP Progress report, on the RDC Website.

### **Proposed Re-allocation of Remaining Funds**

#### *Skills Initiatives*

- 6.4 The REAP Objective 3 'Inspired People' aims to achieve a productive workforce for our growing businesses. Projects 3(a) and 3(b) promote positive careers advice and guidance for young people, particularly targeted at local employment and career opportunities. This results in activities such as the 'Opportunity Knocks' careers event, 'Explore and Inspire' days, school career advisers continuing professional development days and individual school careers guidance activity and events in partnership with local businesses.
- 6.5 When the Ryedale Employment Initiative was initiated in 2013 the economic context was somewhat different, with increasing youth unemployment at that time. This level is now decreasing as the graph in Annex B illustrates and Ryedale businesses are anticipating growth and skills shortages in the local employment market. The commencement of the York Potash development will further contribute to the demand for skilled workforce locally. There is consequently a growing need for the activity identified in the REAP Objective 3(a) and 3(b), to enable people to gain the skills needed by local businesses. It is recommended that the £35.3k underspend from the Ryedale Employment Initiative be reallocated to enable this activity to continue for a period of two years.

- 6.6 *Enhance rail parking and measures to reduce congestion at the rail crossing, Norton*  
REAP objective 4(b)i Malton and Norton Internal Junctions seeks to develop a package of internal junction improvements to improve connectivity. Members are aware from previous reports that public sector organisations are working together to develop a series of interlinked measures to mitigate the impacts of the increase in frequency of rail services and the consequent level crossing closures anticipated from December 2019 (at the latest). This is reflected in the identification of 'Enhance rail parking and measures to reduce congestion at the rail crossing, Norton' as a Priority Economic Project in the REAP, for delivery before 2020. There is also the need to mitigate potential impacts on addition crossing closures on air quality, given

the designation of parts of Malton as an Air Quality Management Area. Many of the potential measures will require project development / feasibility work to be undertaken before decisions can be made whether to implement them. Officers will continue to work in partnership with key delivery partners (particularly NYCC, Network Rail and the train operating companies) to secure funding commitments as appropriate and to develop and prioritise a package of proposals, including project development/feasibility work. Officers will also continue to engage with local community representatives to refine these proposals further. It is therefore recommended that the underspend of £25k from the Major Projects strand be reallocated as the Council's contribution to the feasibility work for this project. North Yorkshire County Council Highways have also agreed to contribute £25k to this work and to commit key officer time and specialist technical knowledge through their partner consultants.

### **Ryedale Economic Action Plan - Dalby Forest**

6.7 Dalby Forest - Forest Artworks project was subject of a Member visit in October 2016. The Forestry Commission (FC) has now been successful in its application for grant aid from Arts Council England, match funding the RDC Creative Economy Commission to further develop the concept of Forest Artworks (the national FC programme) in Dalby Forest (or in the local area) and engage local people and visitors in developing the concept.

6.8 There is considerable capital investment required to progress the project and to ensure that Dalby has appropriate infrastructure and facilities to be able to accommodate the expected growth in visitor numbers over the next 10 years. The FC is now looking to develop an investment plan for this ambitious programme of work, which will be largely focused on the Adderstone area of Dalby Forest and include:

- completion of the Dry Stone Wall Maze project
- new Blue cycle trail to ensure the site has full range of networked trails for all abilities\*
- a range of additional sports facilities (e.g. climbing facility)\*
- renewal of existing play facilities\*
- upgrading existing as well as new trails linking existing facilities\*
- extending the field to increase capacity to attract large scale nationally and internationally important event (such as mountain bike world cup and concerts)\*
- new building hosting cafe/kiosk, toilet & shower facilities and potentially astronomy facilities\*
- potential provision of low key overnight accommodation within the forest.

(\* All incorporating art as a means of providing the visitor with a truly unique and memorable experience)

6.9 As a non-ministerial government department, the FC's ability to access funding streams is significantly restricted. Given the potential benefits of the scheme to the local economy (including increased visitor numbers & visitor spend, improved recreational facilities and improved access to cultural assets) it is considered appropriate that the project be added as a Major Project in the Economic Action Plan, under Objective 4; Successful and Distinctive Places. The FC has indicated that it would greatly welcome support from the District Council in the form of:

- assistance with development of the business case for the project
- identification of appropriate funding sources
- advice and assistance with securing external funding towards the project

- advice on appropriate delivery mechanism/s for the project
- provision of political support

## **7.0 IMPLICATIONS**

7.1 The following implications have been identified:

a) Financial

There are no financial implications as this is expenditure of existing budget.

## **8.0 NEXT STEPS**

8.1 Progress will be reported through the Covalent Performance Management system.

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