



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	21 SEPTEMBER 2017
REPORT OF THE:	EXTERNAL PARTNERSHIPS LEAD JULIAN RUDD
TITLE OF REPORT:	MALTON TO PICKERING CYCLE ROUTE
WARDS AFFECTED:	AMOTHERBY, MALTON, NORTON EAST, NORTON WEST, PICKERING EAST, PICKERING WEST

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report sets out progress with plans for a Malton to Pickering Cycle Route and opportunities for funding and implementation.

2.0 RECOMMENDATIONS

- 2.1 That Council is recommended to approve:

- (i) the Council acting as applicant for Rural Development Programme for England (RDPE) funding and lead organisation for subsequent implementation
- (ii) the procurement of consultants to undertake project development up to a maximum of £75k
- (iii) to approve funding of up to £75k from the general reserve towards costs of project development

3.0 REASON FOR RECOMMENDATIONS

- 3.1 The council has the opportunity to bid for external funding of £700k towards the development of a key element of local infrastructure that will benefit the District's tourism economy, local residents and local businesses, in return for an up-front investment by the Council of up to a maximum of £75k towards project development costs.

- 3.2 In order to maximise the chances of a successful application for RDPE Tourism

Infrastructure funding it will be essential to proceed with procurement and appointment of consultants to undertake project development as quickly as possible.

4.0 SIGNIFICANT RISKS

- 4.1 Should Members approve the above recommendations the Council would be committing funding towards project development work 'at risk' with no guarantee that the funding application, set out later in this report, will be successful.
- 4.2 Should the RDPE application be successful, the Council would be responsible for:
- a) ensuring full compliance with all funding conditions and requirements. Failure to comply fully could lead to a requirement to repay grant funding.
 - b) any increases in project costs.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 The proposed project contributes directly to delivery of the following Council Priorities:
- Sustainable Growth - in particular "Promoting a strong economy with thriving business and supporting infrastructure" and "Capitalising on our culture, leisure and tourism opportunities"
 - Customers and Communities - "helping our partners to keep our communities safe and healthy" and "supporting communities to identify their needs, plan and develop local solutions and resilience"
- 5.2 It also contributes to the Ryedale Economic Action Plan 2016 - 2020 Priority 5 - Connected Economy under the Priority Project "Enhanced communication links including cycle, high speed broadband and mobile phone connectivity"
- 5.3 Consultation on the draft Feasibility Report was undertaken in May 2015 with Ward Members, County Councillors and Parish Councils representing those areas through which the proposed cycle route passes, as well as with the Local Access Forum. Consultation responses have been considered and incorporated into revised proposals where appropriate.

REPORT

6.0 REPORT DETAILS

6.1 Background and Current Opportunity

- 6.1 During 2014 Members approved funding of £3,000 from the Ryedale Development Fund - Major Projects allocation towards production of a Feasibility Study for a proposed Malton to Pickering Cycle Route. Sustrans were appointed to undertake this study and, after detailed consultation with NYCC Highways, a Final Report was signed off in March 2017.
- 6.2 The report includes an outline route alignment, outline cost estimate for constructing the route, sets out some options for potential onward route links and details some of

the economic benefits of investing in cycling infrastructure (See Annex 2).

- 6.3 The report suggests a Total Cost of over £1m for constructing the route as a whole (inc. fees, legal agreements, automatic monitoring counters). This has now been reduced to approximately £700k as a result of a review of specification and costs for off-road sections. These sections are now proposed to be constructed of high quality crushed stone, which is cheaper, more acceptable to equestrian users, and simpler to maintain. The revised specification was agreed in consultation with the NYCC Public Rights of Way officer and Sustrans.
- 6.4 It was anticipated that a significant element of external funding would be required in order to deliver the project so officers have continued to review potential funding opportunities and in July 2017 submitted an Expression of Interest for funding of £694,500 towards Rural Tourism Infrastructure projects under the RDPE Growth Programme
- 6.5 The Expression of Interest was successful and the Council has been invited to submit a Full Application. This offers perhaps the best opportunity to secure capital funding to deliver such a scheme that is likely to become available in the foreseeable future. Full applications are in competition with other applications for a limited RDPE allocation and the sooner the application is submitted the more chance it has of success.
- 6.6 Before a full application can be completed and submitted the following matters need to be finalised:
- identify the lead organisation/applicant for funding
 - detailed designs and cost estimates to be completed
 - confirm whether any planning is required & secure if required*

[* The majority of work will take place within the public highway and will class as highways works and therefore not require planning consent - however, a small bridge is required over Costa Beck at Kirby Misperton. Depending on the precise alignment/construction of this element planning consent may or may not be required and this will be confirmed during the project development phase]

Proposed benefits

- 6.7 The primary purpose of the RDPE funding opportunity is to support Tourism Infrastructure - as such this is the primary benefit as set out in the funding application. Provision of the cycle route will provide links between the Towns of Malton and Pickering with several major tourism destinations, accommodation and service providers. Annex 1 includes extracts from the Expression of Interest which provides further detail.
- 6.8 The proposed project would result in the following benefits:
- Economic benefits - based on a pro-rate assessment of the national annual economic benefit of the existing National Cycle Network (see Sustrans' report detailed under Background Papers) the annual economic benefit that the proposed project could result in is estimated to be
 - £500k per year contribution to the economy
 - up to 12 jobs supported
 - Congestion / Air Quality benefits - providing improved opportunities for leisure

and commuter cycling will encourage increased numbers of people to adopt non-motorised forms of transport for local journeys (e.g. between Norton/Malton and Eden Park business park / Food Enterprise Zone or between Pickering and the Ryedale Exhibition and Leisure Village at Pickering Showground) with positive impacts upon congestion and air quality in and around the towns.

- Increased activity levels and therefore improved health for local residents and visitors alike.

Outline Costs of Project Delivery

- 6.9 All cost estimates outlined in this report (including the costs for project development work) are **outline costs only** at this stage based on a review of the costs included in Sustrans' Feasibility Study and will be refined during detailed project development work.
- 6.10 Approximate outline costs for delivery of the project are estimated to be in the order of £700k (including works costs, signage, automatic usage counters, consultant's fees, permissions and consents).
- 6.11 Some costs are not eligible for RDPE grant funding, including those of any permissions (including planning or other consents), contingency costs and any revenue costs (such as on-going costs of monitoring automatic usage counters).
- 6.12 Any costs incurred before a funding offer letter is received are also ineligible. Initial project development costs (detailed designs, cost estimates, planning consents) therefore need to be treated as 'sunk costs' and will not be recouped. It is expected that such ineligible costs will total approximately £75k.
- 6.13 In order to proceed with the full application for RDPE funding the applicant (or the applicant and other partner organisations) must commit to cover these costs up front costs.

Options for Lead Delivery Organisation:

- 6.14 The following options for lead delivery organisation have been considered as set out in more detail below:
- i) North Yorkshire County Council
 - ii) Ryedale Cycle Forum
 - iii) An external Delivery Organisation
 - iv) Ryedale District Council

North Yorkshire County Council Highways

- 6.15 Most, if not all, of the proposed route follows the County Council's Highways or Public Rights of Way network and as such the County Council would seem to be the most natural lead partner for the project. Officers have investigated this option with colleagues at the County Council's Highways department, who have indicated that they do not have the capacity to take a lead role on delivery of this scheme but are willing to offer support to deliver the project. Discussions are on-going to establish what level of support the County Council might be able to provide and Members will be updated on progress at Committee.

Ryedale Cycle Forum

- 6.16 Ryedale Cycle Forum are an important partner in the development of the cycle route, however, they are an un-constituted organisation and as such are not eligible to apply for RDPE funding themselves and so are not in a position to deliver the project. Initial approaches to constituted community / voluntary organisations have been made to establish whether they would be willing to act as accountable body for the Ryedale Cycle Forum but without success.

An external delivery organisation (e.g. Sustrans)

- 6.17 Sustrans is a UK charity with a remit to help develop solutions for sustainable transport, including the design and development of new cycle routes. The project would therefore fit with Sustrans' remit however, for Sustrans to be able to lead on this project they would need to be able to reclaim their internal project management costs. Unfortunately the Rural Payments Agency have confirmed that such internal project management costs are not eligible for funding. For Sustrans to be the lead partner, it is expected that an organisation such as Ryedale District Council (or a combination of RDC and NYCC) would need to underwrite Sustrans' internal project development costs plus any consultant costs incurred in project development prior to submission of the full application. Sustrans have been approached to establish whether they would be willing to undertake this role and are considering this internally. Officers are not aware of other external organisations that are likely to be willing to take a lead role in project delivery. Members will be updated on progress at Committee.

Ryedale District Council

- 6.18 Given the County Council's lack of capacity to take the lead role in project delivery, this would be the simplest alternative option, however, it does expose the Council to:
- upto £75k of irrecoverable up-front development costs (these would need to be committed before knowing whether the full application will be successful)
 - approximately £7.5k for on-going monitoring of automatic counters (these would only be committed if the project proceeds and would be picked up as part of the budget setting process)
 - procurement and management of consultants to complete project development work
 - significant staff resource commitment to work up the full application (this can be mitigated with input from Ryedale Cycle Forum) and to procure and manage consultants
 - risks of:
 - increased capital costs
 - clawback of grant in the event of failure to comply with grant conditions
- 6.19 Once detailed designs have been completed and tender prices obtained, the risk of cost overruns can be minimised and managed through cost control during the contract stage to ensure that works do not exceed the funding available.
- 6.20 The risk of failure to comply with grant conditions is low given that Council officers are used to dealing with complying with external funding conditions.
- 6.21 Given the uncertainty regarding the options set out above, this currently represents the most realistic delivery option.
- 6.22 Should NYCC be willing to contribute an amount to project development costs, this would decrease the maximum amount of irrecoverable cost that the Council is

exposed to.

Future Maintenance

- 6.23 The on-highways elements of the route will be maintained as part of the public highway by NYCC Highways. The off-road elements are all on existing public bridleways and will therefore continue to be maintained to an appropriate level for bridleway use.

7.0 IMPLICATIONS

7.1 The following implications have been identified:

a) Financial

- The Council would be committing to cover the irrecoverable up-front project development costs plus costs of monitoring of automatic counters should the scheme go ahead – (less any contribution that NYCC may agree to contribute)

b) Legal

- The Council would need to comply with all grant conditions as set out in the any Grant Offer letter / funding contract.
- RDC would not take on any additional long term maintenance liability for the proposed cycle route - maintenance would continue to be the responsibility of NYCC

c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)

- Delivery of the project would have a positive effect:
 - i. on equality by making more of the proposed route suitable and accessible for those with disabilities
 - ii. on the environment by encouraging use of non-motorised modes of transport for tourism, leisure and commuting

8.0 NEXT STEPS

8.1 Should Members approve the recommendations set out in this report the next steps, and estimated timescales for completion, would be:

Task	Complete By:
Council Approval of development funding	Oct 2017
Procure and appoint consultants	Nov 2017
Complete Designs & Cost estimates	Jan 2018
Complete & Submit Full Application	Feb 2018
Decision on Full Application	May 2018
Prepare tender documents	May 2018
Tenders obtained for construction works	June 2018
Start on Site	Aug 2018
Project Complete	Jan 2018

8.2 A further report will be submitted to Members should the Full Application be successful in order to provide an update on estimated costs and to seek delegated approval to appoint contractors following receipt of tenders.

Julian Rudd
External Partnerships Lead

Author: Howard Wallis, Senior Specialist: Place
Telephone No: 01653 600666 ext: 274
E-Mail Address: howard.wallis@ryedale.gov.uk

Background Papers:
"Cycle tourism boosts economy" - Sustrans research web article, 18 Aug 2015

Background Papers are available for inspection at:
<http://www.sustrans.org.uk/news/cycle-tourism-boosts-economy>

Annex 1 - Extracts from RDPE Tourism Infrastructure Expression of Interest

Project Description

This project will create a new National Cycle Network (NCN) route, linking the Market Towns of Malton ("Yorkshire's Food Capital") and Pickering ("gateway to the Moors"), connecting numerous tourism attractions, businesses, accommodation, hospitality and service providers, providing links to key public transport networks in Malton and encouraging sustainable tourism.

Aims and Objectives

Project aims to:

- grow Ryedale's cycle tourism sector (& beyond into National Park & Yorkshire Coast)
- build upon destination's strengths (National Park, Dalby Forest, strong 'outdoor' focus)
- broaden area's visitor offer
- benefit wider tourism sector - increased spend via accommodation, attractions, service & associated sectors

Project objectives to:

- develop new cycle infrastructure to cater for growing interest in cycle tourism
- improve cycle linkages between destinations, accommodation & attractions
- fill 'missing link' between Yorkshire Wolds Cycle Route (NCN 166) & routes into/through North York Moors, and East Coast Cycle Route (NCN 1)
- generate opportunities for sustainable cycle tourism via public transport

Need and Demand

Studies have found:

- "cycling is experiencing an upward trend, which is expected to both continue and increase" (The value of Cycle Tourism (opportunities for the Scottish Economy), June 2013)
- "Latent demand for cycling could amount to around £516m of untapped potential for the UK", (The British Cycling Economy, LSE, 2011)

The project seeks to unlock this latent demand & growth potential, to cater for increased participation in cycling, following legacy & successes of Olympic & Tour de France, the Yorkshire-based 2014 TdF Grand Depart and the Tour de Yorkshire.

The project directly contributes towards a new market opportunity identified within the RDPE-funded Ryedale Market Towns Promotion (RMTP) project (Ref 101474) - "Walking and cycling opportunities around and between the towns to be exploited". The project will benefit from the RMTP project's coordinated approach to promotion of Ryedale's Market Towns and synergies between projects will create added value for both. Ryedale and the North York Moors National Park are popular destinations for those with an interest in outdoor activities. The Howardian Hills AONB and the National Park provide wonderful opportunities to experience beautiful countryside on quiet country roads. Dalby Forest has developed an enviable reputation for mountain biking. However, formal provision for non-mountain bike cycling (whether off-road or on recognised routes on quiet country roads) is fragmented. This route fills a 'missing link' between Yorkshire Wolds Cycle Route (NCN 166) to the south and cycle routes into/through the National Park, linking with the east coast route (NCN 1). Providing a link between Malton and Pickering enables cycle tourists visiting by train to have a choice of NCN routes: south to the Yorkshire Wolds or north to the North York Moors, North Yorkshire Moors Railway, Dalby Forest etc., making Malton a hub for sustainable cycle tourism.

The cycle route will link up many of the District's major destinations / attractions including: Malton ("Yorkshire's Food Capital"); Pickering ("Gateway to the Moors"); Flamingoland; Pickering exhibition and leisure village; Black Bull Caravan Park; North Yorkshire Moors Railway; Pickering Castle; Dalby Forest (via Moors to Sea Cycle Network) - a hub for cycle-based activity; plus various museums & cultural venues.

The route will cater for a broad range of users:

- visitors with a general interest in outdoor activities/cycling - may hire bikes for one or more days to explore the area and visit nearby attractions;
- cycling enthusiast visitors - may bring their own bikes and be keen to spend more time exploring the area, travelling further afield and visiting attractions by bike;
- 'hard-core' cyclists - who are interested in cycling long-distance routes - including both domestic and international markets (e.g. via Hull - Rotterdam North Sea Ferries route - work to promote the area to cycle tourists already commenced at the Fietswandelbeurs tourist trade event in Utrecht by Visit Hull and East Yorkshire)

Annex 2 - Sustrans' Malton to Pickering Cycle Route Feasibility Study Report