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<b>PART B:</b>	<b>RECOMMENDATION TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>15 MARCH 2018</b>
<b>REPORT OF THE:</b>	<b>CHIEF EXECUTIVE (INTERIM)</b>
<b>TITLE OF REPORT:</b>	<b>A PUBLIC SERVICE HUB FOR RYEDALE</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

- 1.1 For Members to make a decision on the future location of the operations for Ryedale District Council, and to lead the development of a Public Service Hub for Ryedale.

### **2.0 RECOMMENDATION**

- 2.1 That Members agree the following:

- i) To lead the development of a Public Service Hub for Ryedale, as the principle location for Ryedale District Council services, with the aim of vacating Ryedale House by Autumn 2020, and committing £2.5m from the NHB reserve to the Capital Programme for the delivery of this scheme.
- ii) That £275,000 of this allocation be used to support the development of a scheme on the site of the current Community House and adjacent land as the preferred option, to completion of RIBA stage 4 (Technical Design). The decision to appoint a contractor and commence to construction would be a further decision of Council.
- iii) To participate in the North Yorkshire Property Partnership, utilising the resources available through the NYPP, from the One Public Estate (OPE) programme, to support the development of the Public Service Hub for Ryedale.
- iv) That Members agree to a budget of up to £50,000 allocated from the general reserve for improvements to Ryedale House in the areas in which staff are currently working and the common areas to make the building more suitable for staff whilst a new Public Service Hub is being developed.
- v) That a Car Park Strategy for Ryedale be commissioned in partnership with North Yorkshire County Council, with a budget of £75,000 to be allocated from the general reserve.

- vi) That Members commit to working in partnership with the Milton Rooms Management Committee to enable the utilisation of the Milton Rooms for meetings of Council when the Council has relocated from Ryedale House, and that the capital allocation already agreed be used to support the improvements, regardless of the outcome of the bid to the Heritage Lottery Fund.
- vii) In agreeing that Ryedale House (RH) will be vacated by the Council and its tenants, Members support the development of detailed feasibility studies for housing development on the Ryedale House site, utilising both the OPE and Homes England funding. A further report will be brought to members when the feasibility work on the RH site and any available adjacent sites, has been developed.

### **3.0 REASON FOR RECOMMENDATION**

- 3.1 To agree the clear priority for officers to work in partnership through the North Yorkshire Property Partnership to deliver a Public Service Hub for Ryedale, and identify resources to make this happen.
- 3.2 To agree to relocate from Ryedale House as soon as possible.
- 3.3 To enable the development of options for housing delivery on the Ryedale House site, to inform a future decision by Members
- 3.4 To support the delivery of the Council's agreed financial strategy, including the Income Generation Policy.
- 3.5 To confirm the commitment of the Council to the future success of the Milton Rooms.
- 3.6 To provide certainty to staff and partners regarding the future approach and location of this Council.

### **4.0 SIGNIFICANT RISKS**

- 4.1 The significant risks of not agreeing the recommendations are that the Council cannot maintain a sustainable financial position and
  - that the transformation and improvement programme cannot be fully delivered given the limitations of the current building for new technologies, modern working practices, customer focus, partnership working and co-location, with a consequent impact on the delivery of the Financial Strategy to 2022;
  - as the current office building deteriorates, the working conditions for members of staff are becoming more difficult and hazardous, with a consequent risk to service delivery;
  - that the Council does not make efficient use of assets to support growth, meet housing need and deliver more integrated, customer-focused services and does not work in partnership with communities, North Yorkshire County Council and other partners to achieve these aims;
  - that the Council cannot deliver the commitments made in the Capital Programme; and

- that the Council fails to deliver its agreed priorities.

## **5.0 POLICY CONTEXT AND CONSULTATION**

- 5.1 In October 2016 Council agreed a new asset management policy following the Scrutiny Review of Council Assets.
- 5.2 The delivery of the Council's ambitions and priorities are dependent on a series of decisions being made by Council on the future location of the civic offices and the future use of Ryedale House and the associated operational sites.
- 5.3 The delivery of a balanced budget in the medium term is dependent on optimising the value of the Council's asset portfolio to support the revenue budget and to support the delivery of the Capital Programme. The impact on the financial strategy will include:
- Use of NHB
  - Borrowing requirement
  - Reduced running costs 2020-21
  - Increased revenue generation 2022-23
- 5.4 The 21 September 2017 meeting of the Policy and Resources Committee resolved that a clear direction be provided to officers to enable the work to be undertaken for decisions to be made by Council. These are attached at Annex A with a progress update for each.
- 5.5 Members are aware that the Ryedale House site is a proposed housing land allocation in the Local Plan Sites Document. The document was formally published for consultation in November 2017 and the consultation period has now ended.
- 5.6 Members have been engaged in a number of briefings in relation to the future utilisation of the Council's asset portfolio, with feedback being used to inform the development of this work.
- 5.7 Officers of the Council have been involved in a range of engagement activities as part of the review being undertaken of the delivery of the T2020 programme to date. These include team meetings and focus groups. It is clear from the feedback received that staff would welcome a decision from Members on the future use of Council assets, and specifically the future location of the Council's operations and service delivery. The view is strongly held by staff that Ryedale House is no longer fit for purpose and is an unpleasant work environment.

## **REPORT**

### **6.0 REPORT DETAILS**

#### **Background**

- 6.1 The relocation of Ryedale District Council has the potential to initiate a programme to improve both the efficiency of the Council and that of the wider asset portfolio, whilst also acting as a catalyst for regeneration and economic growth in the local area.
- 6.2 The relocation of RDC is intended to:
- a. Improve the medium to long-term financial position of the Council by developing projects that will realise revenue savings and attract public and private-sector

inward investment in Ryedale. This will help the long-term sustainability of public service provision by RDC and our partners.

- b. Deliver improved customer access and services for the local community, residents and businesses.
- c. Release a site which has the potential to enable the Council to deliver affordable housing in line with its stated priorities
- d. Support the local economy by operating within the town centre of Malton

6.3 Members have previously considered reports relating to the future of Ryedale House in April 2016 and following a scrutiny review of the Council's property assets in October 2016 with a report detailing a range of options presented to the Policy and Resources Committee in September 2017 and a progress report to the P and R Committee in February 2018.

6.4 To consolidate the discussion regarding the future of Ryedale House and the future Civic presence, Members participated in a workshop in January 2017. The workshop was used to determine what the Council wanted from its new civic presence. A further Member briefing was held in June 2017 and a briefing on the new ways of working, including the role of assets in enabling transformation, in November 2017.

6.5 Bids for funding to support the development of the options were submitted to the One Public Estate (OPE) programme covering Ryedale House and adjoining sites, plus a new Public Sector Hub for Ryedale and to the Homes and Communities Agency (HCA) Accelerated Construction programme for the development of the Ryedale House site. The HCA is now called Homes England (HE)

#### **A Public Sector Hub for Ryedale**

6.6 A detailed business case for the development of a Public Service Hub for Ryedale is attached at Annex B

#### **North Yorkshire Property Partnership**

6.7 The North Yorkshire Property Partnership (NYPP) bid to round six of the One Public Estate Programme was successful with funding allocated to support the development of a Public Service Hub for Ryedale in Malton, to develop housing on other public sector owned sites in Malton, including the Ryedale House site, and to support the delivery of the wider programme for North Yorkshire.

A decision on the Plan and the amount of funding that allocated from OPE was announced on 11 December 2017. The North Yorkshire Partnership has been awarded £220k of the requested £500k for the 2017/18 financial year. This is the 10th highest of the 60 grants awarded nationally and reflects that the £7m OPE funding pot was 4 times oversubscribed in terms of bids.

Ryedale has done comparatively well in terms of the specific amounts awarded to the projects put forward, indication that these two projects have the potential to deliver the ambitions of the OPE programme, the Cabinet Office and the LGA, as well as the ambition of Ryedale:

- Ryedale House and associated properties - £80k
- Ryedale Public Services Hub - £50k
- Catterick MoD sites - £20k
- Project Management & Delivery - £70k

## **Parking Strategy**

6.8 There are a number of significant projects currently under development in Ryedale which require a Parking Strategy for Ryedale to be developed. These include:

- Norton River Rail Study
- The Enabling Assets programme
- Relocation of Ryedale District Council from Ryedale House
- RDC Housing Development programme

Initial interest in the development of a Parking Strategy has been discussed with partners including the Fitzwilliam Estate and North Yorkshire County Council. To be successful any strategy would need to be developed with the engagement of partners and interested parties. The Town Councils have expressed interest in the future strategy for Car Parking in Ryedale and would be key stakeholders in the development of a new strategy for Ryedale.

The estimates of the cost of a Parking Strategy for Ryedale, pending a procurement exercise following any decision by Members, require a budget allocation of £75,000.

## **Supporting the Milton and Assembly Rooms**

6.9 At the meeting of the Policy and Resources Committee in September 2017, Members made clear their preference for utilising the Milton and Assembly Rooms, for meetings such as Council and committee meetings. The Council has committed to an investment of £321,000 in support of the development plans for the Milton and Assembly Rooms which are currently the subject of an application to the Heritage Lottery Fund. Members are being asked in this report to confirm their commitment to work in partnership with the Milton Rooms Management Committee to ensure that development of the facility can take place and that the investment made by the Council can be used for the benefit of the community and of the Council, supporting the Council's stated aim of supporting sustainable growth by capitalising on the cultural opportunities of Ryedale.

## **Timescales for Delivery**

6.10 The high level assessment of delivery timeframe for the two major projects from the OPE programme are as follows:

### **Ryedale Public Service Hub**

On site	-	Summer 2019
Occupy	-	Summer 2020

### **Ryedale House Housing Development Schemes**

Onsite	-	Summer 2020
Occupied	-	Summer 2022

### **Parking Strategy (estimated pending procurement)**

Procurement	-	Spring 2018
Development	-	Summer and Autumn 2018
Delivery	-	October 2018

## **7.0 IMPLICATIONS**

7.1 The following implications have been identified:

- a) Financial  
The Financial Strategy will be updated to reflect the financial implications highlighted within the report. The delivery of the enabling assets programme is key to the financial resilience of the Council.
- b) Legal  
The covenants relating to the various sites have been accommodated in the costs, risk and options appraisal presented previously.
- c) Other (Equalities, Staffing, Planning, Health & Safety, Environmental, Crime & Disorder)  
Ryedale House requires investment in the short term to maintain the health and safety of the working environment for staff and for visitors to the building. Moving to a new building would reduce the environmental impact of the Council's operations, through reduced use of energy and being located in a more central location, closer to public transport.

## **8.0 NEXT STEPS**

8.1 Following any decision by Members regarding relocation from Ryedale House to a Public Service Hub, next steps will include:

- 1) Utilise the funding available through the OPE programme to develop the Public Service Hub in Malton working through the NYPP.
- 2) Continue to develop engagement with other public sector partners including the DWP, NYCC, Police and Fire Services to establish the requirements of partners and assess opportunities for co-location in a Public Service Hub.
- 3) Utilise any Homes England Accelerated Construction and OPE support to develop feasibility and viability of the various opportunities for housing on the Ryedale House site.

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### **Background Papers:**

Minutes of Council 14 April 2016:

<http://democracy.ryedale.gov.uk/documents/s24868/Part%20B%20Referrals%20from%20PR%2031-03-16%20R%20Hse.pdf>

Minute of Council 6 October 2016:

<http://democracy.ryedale.gov.uk/ieListDocuments.aspx?CId=114&MId=1699&Ver=4>

Assets Scrutiny Review Report

<http://democracy.ryedale.gov.uk/documents/s29460/Assets%20Scrutiny%20Review%20Rep>

[ort%20Final.pdf](#)

One Public Estate Phase 6 Prospectus

<https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/phase-6>

OPE Phase 6 Decision

<https://www.local.gov.uk/topics/housing-and-planning/one-public-estate/ope-phase-6-funding>

Homes and Communities Agency Accelerated Construction Prospectus

<https://www.gov.uk/government/publications/accelerated-construction-local-authorities-expressions-of-interest>

Minutes of P and R 21 September 2017

<https://democracy.ryedale.gov.uk/ieListDocuments.aspx?CId=119&MId=2763&Ver=4>

[Financial Strategy 2018 – 2022 – Full Council 22.2.18](#)

## Resolution of P and R Committee of 21 September 2017 with progress

	<b>Resolution with progress update February 2018</b>
<b>a</b>	<b>The officers work with partners to participate in the OPE programme bid for North Yorkshire, to be submitted in November 2017</b>
	Bid successful with funding allocated to support development of feasibility for housing on Ryedale House site and adjacent sites and of a public service hub in Malton. Terms of reference for the new OPE Partnership are currently being drafted, together with project plans for the individual schemes including the Public Service Hub and Ryedale House.
<b>b</b>	<b>Ryedale House is no longer fit for purpose and the maintenance costs are prohibitively expensive. Officers are to prepare a business case to support a move to new premises which aims to deliver the following:</b>
<b>b i</b>	<b>The preferred option of office accommodation on the site of the current Community House</b>
	New office accommodation is a key element of the public service hub proposal that is being developed for the Community House site, complimented by improved customer access and experience
<b>b ii</b>	<b>To develop proposals for a hub for public sector and voluntary and community sector partners, linked to the OPE programme.</b>
	Funding has been allocated through OPE towards development of the detailed business case for a Public Service Hub for Ryedale. Initial discussions confirm interest from NYCC, DWP and other occupiers for space in a hub facility on the Community House site. Meetings between RDC, consultants and partners have taken place to progress business case. Key stages in the development of the project will be reported to Members and the OPE Partnership. Key decision required from Members on the future of Ryedale House and the leadership of the development of the Public Service Hub
<b>biii</b>	<b>When Ryedale House is no longer available, future meetings of Council to take place in the Milton Rooms and similar venues in Ryedale.</b>
	To be progressed alongside development of the hub proposal. Awaiting outcome of Milton Rooms bid for funding.
<b>b iv</b>	<b>The Brief for the public sector hub to include the following: Members to have access to a dedicated small office to accommodate 6 people, potential to provide a Leader's office if required and space for committee meetings for 10 members, officers and public seating.</b>
	These requirements will be included within the designs and business case under preparation for the hub, with OPE support.
<b>c</b>	<b>In the event the single public hub does not come to fruition, the option of locating to Harrison House is also to be considered.</b>
	A hub facility on the Community House site offers significant advantages for the Council and other public and voluntary sector users that Harrison House could not match. However, this option will be reconsidered in the event that the hub is not deliverable.
<b>d</b>	<b>Housing to be built on the Ryedale House site, a proportion of which to be affordable, ensuring best value. The possibility of a joint development including neighbouring sites to be explored.</b>

	<p>Following the Member Development session at Ryedale House on the 8 November, further analysis of the cost feasibilities is being undertaken to consider the implications of 100% affordable housing options on both sites.</p> <p>Possible development of other public sector This will be subject to the business case and options appraisal that will now take place with support via the OPE programme. Key stages in the development of the project will be reported to Members and the OPE Partnership.</p> <p>The bid to Homes England for support for development of housing on the Ryedale House site (under the Accelerated Construction programme) was shortlisted and has advanced to the due diligence stage. Consultant's technical reports about the site will be shared with the Council in February 2018, with a package of support for the Council to be negotiated with Homes England during March.</p> <p>Consultation has taken place regarding the proposed housing land allocation of the Ryedale House site in the Local Plan Sites Document. Representations which make the point that the plan is unsound explicitly because of the inclusion of the site have been received but are limited in number.</p> <p>In summary, the issues raised are that: there should be no more development until complimentary traffic measures are in place; that the site is accessible to staff and customers and should be retained in its current use and; that as it currently stands, the site provides a break between Old Malton and Malton and fits in with the green space on the other side of the Old Malton Road.</p> <p>The representations received will be considered as part of the examination process. The Council is on schedule to submit the plan in March and it is likely that the examination hearing sessions will take place in the early summer. An indicative timetable for the examination process will be provided by the Planning Inspectorate once the plan is submitted and this should provide an indication of when the Council can expect to receive the Inspectors report. At this point the Council will have confirmation as to whether the Inspector considers the allocation of the site to be 'sound.'</p>
<b>e</b>	<b>The upper deck of Wentworth Street Car Park to be considered for housing as part of the OPE programme</b>
	Funding has been allocated through the OPE programme to develop the detailed business case for housing on the upper deck of Wentworth Street Car Park. Key stages in the development of the project will be reported to Members and the OPE Partnership.
<b>f</b>	<b>The Council consider relocating Streetscene services to the proposed Waste Transfer Station at Kirby Misperton.</b>
	Discussions are ongoing with NYCC regarding co-location at the new waste transfer site at Kirby Misperton. The planning application for the facility has been approved. NYCC is currently commissioning the buildings works and the facility is planned to be completed within 2018/19.
<b>g</b>	<b>A review to take place of all Council assets to deliver the Council's Asset Management Policy.</b>
	A property conditions survey has now taken place of all the Council's assets. This suggests that there is sufficient provision within the proposed capital programme (over its lifespan to 2023) to meet anticipated costs, excluding costs identified for Ryedale House and Community House of £1.6m