



PART A:	MATTERS DEALT WITH UNDER DELEGATED POWERS
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	06 JUNE 2019
REPORT OF THE:	PROGRAMME DIRECTOR FOR ECONOMIC DEVELOPMENT, BUSINESS & PARTNERSHIPS PHILLIP SPURR
TITLE OF REPORT:	MALTON TO PICKERING CYCLE ROUTE: FUNDING AWARD
WARDS AFFECTED:	AMOTHERBY, MALTON, NORTON EAST, NORTON WEST, PICKERING EAST, PICKERING WEST

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 To inform Members that, following the successful submission bid for funding, the Council has received an offer of funding for the implementation of the Malton to Pickering Cycle Route and to seek the necessary authority to proceed to implementation.

2.0 RECOMMENDATION(S)

- 2.1 It is recommended that Members:

(i) authorise officers to accept the funding offer and to enter into a funding agreement with the Rural Payments Agency

(ii) approve the procurement of consultants and contractors to deliver the project

3.0 REASON FOR RECOMMENDATION(S)

- 3.1 The Council has received a grant offer of over £628k to deliver this project. Members previously approved the Council acting as the applicant for this funding and lead organisation for subsequent implementation, as well as funding for detailed project development work.

- 3.2 Acceptance of the funding and implementation of the project will enhance the cycling provision for residents and tourists, encouraging greater uptake of physical activity with consequent improvements to public health. It is also likely to contribute towards reduced congestion and carbon emissions and therefore have a positive impact in relation to climate change.

- 3.3 Officers have worked closely with Ryedale Cycle Forum, North Yorkshire Council, Sustrans and consultants (WSP) for over a year to develop the detailed project proposals which were the subject of this funding bid. Failure to accept the funding on offer is likely to have a negative reputational impact on the Council and could make it

more difficult to secure such funding in the future.

4.0 SIGNIFICANT RISKS

4.1 By accepting the offer of funding and entering into the funding agreement, the Council is committing itself to the terms and conditions of the grant funding. This would mean that:

- The Council would be responsible for any cost increases. This risk will be mitigated by appointing consultants who will use cost management measures throughout the construction process.
- Errors in grant claims could lead to penalties being applied. This risk could be mitigated by ensuring that staff resources to the project to ensure that the risk of errors is minimised.

4.2 Successful implementation of this project will require the investment of a significant amount of officer time, particularly from:

- the economic development service relating to overall project management and administration, including appointment and management of consultants, procurement, selection and management of contractors, liaison with NYCC Highways and Rights of Way teams, compiling and submitting grant claims and project monitoring reports; and
- the finance service – particularly the provision of detailed financial information and evidence to support grant claims.

4.3 Unless additional staff resources are secured to support project implementation there is a significant risk that this will impact upon the ability to undertake other key tasks or deliver other priority initiatives.

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 The project is fully in accordance with the recommendations outlined in the Councils Scrutiny Review into Climate Change as adopted by Council (11 April 2019) and in particular recommendation under 3d "Foster the use of alternatives to fossil fuels for travel through promotion of public transport, walking and cycling."

5.4 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. Follow-up consultation was undertaken by consultants during April 2018 on more detailed proposals following initial project development prior to finalising proposals.

- 5.5 Responses to the above consultations were supportive but also highlighted a need to ensure that the needs of horse riders were considered. The original feasibility study proposed that new off-road sections of the route would be of sealed surface tarmac construction, however, feedback identified that this construction would not be suitable for the many existing equestrian users. These concerns have been addressed in developing the detailed scheme designs and the off-road bridleway sections will now be upgraded to a good quality crushed stone surface, instead of sealed surface tarmac, to address this concern. Feedback from the NYCC Rights of way team is that this construction is also easier and cheaper to maintain.

REPORT

6.0 REPORT DETAILS

Background

- 6.1 Members approved funding towards a feasibility study into this project in 2014 and, subsequently, approved funding of up to £75k for the costs of project development work and for the Council to act as applicant and lead partner for subsequent implementation of the project (*Council 12 Oct 2017, Minute 45 referring to P&R 21 Sept 2017, Minute 27*).
- 6.2 Following the above approval officers also secured a contribution of £15,000 from NYCC towards project development costs, resulting in a total budget for project development costs and ineligible costs of £90,000.
- 6.3 To date the Council has expended approximately £46k on project development leaving approximately £44k available to cover the costs of further project development and ineligible costs. At this stage it is not anticipated that this budget will be exceeded.
- 6.4 Project development has been overseen by a project steering group incorporating representatives from:
- RDC (lead partner and client)
 - Ryedale Cycle Forum
 - NYCC Highways Area Office
 - NYCC Public Rights of Way team
 - Sustrans
- 6.5 The project constitutes works to quiet country roads and bridleways, including drainage and signage, between Malton and Pickering. Off road sections will be excavated and resurfaced with appropriate materials to ensure a robust and easily maintainable surface which is suitable and accessible for the widest range of route users. Highway sections will be brought up to a standard suitable to be signed as a cycle route, including repairing and resurfacing as necessary. **Plans at Appendix 1.**

Project Development

- 6.6 Officers developed a project brief in consultation with the Steering Group and WSP were then appointed by the Council, via NYCC's consultancy framework contract, to undertake project development work. WSP completed the detailed designs and cost estimates which have been included in the Full Business Case submitted to the Rural Payments Agency (RPA) as a bid for funding from the Rural Development Programme for England (RDPE).
- 6.7 The original project proposal was to develop a cycle route between Malton and Pickering, on existing roads and bridleways, which would become part of the National Cycle Network (or NCN). During detailed project development work, it became

apparent that it would not be possible to design the scheme to meet the NCN standards for the following two stretches of the route:

- i) Great Habton Road – Kirby Misperton – particularly if this section becomes busier with heavy vehicles from the KM8 fracking site.
- ii) Kirby Misperton to Lendales Lane (east of Kirby Misperton).

6.8 The main concern relates to the potential for conflict between cyclists and motor vehicles given that these are de-limited 60mph stretches of road. Sustrans current guidance currently states that National Cycle Network (NCN) Routes “**should be suitable for use by a novice adult cyclist, a family with young children, or a sensible unaccompanied 12 year old**”. It is understood that Sustrans are currently undertaking a review of their NCN Guidance and it is anticipated that the requirements to meet NCN Standards are, if anything, likely to become stricter.

6.9 Despite the best efforts of officers to seek a compromise solution to enable the route to be classed as NCN (which inevitably resulted in some delays to project development), this has not been possible within the set timescales of the RDPE funding availability and as such the funding bid highlighted that this was the case and included the following statement:

“Further work is therefore required to identify and develop a deliverable alternative to this section of route. This will involve local negotiation to secure access to 3rd party land and resolving this will, unfortunately, be beyond the timescales of the current funding opportunity. As a result this stretch of the route will not now meet NCN standards as part of this project.

The project steering group have, however, decided to progress with this application to deliver **all other sections of the route**, as this will still result in a major improvement in cycling and tourism infrastructure for the District.

Ryedale Cycle Forum will continue with the necessary discussions, negotiations and investigations to secure an alternative solution for this section of route that will ensure that it is suitable for young families. This will be delivered as soon as possible subject to reaching agreement with landowners and securing the necessary funding for implementation. Once achieved then the whole route can have NCN status.”

6.10 Should the KM8 fracking site become operational, the related Community Fund may provide a suitable source of funding for further project enhancement or alternative off-road route development.

6.11 The project steering group and Ryedale Cycle Forum will continue to explore options for further route enhancements, including off-road options, which could help the route to meet NCN standards. It is proposed that some of the remaining project development budget will be used to support this process. At this stage, it is therefore not certain that the route will become part of the National Cycle Network, however, the route will still represent a significant improvement to cycling infrastructure in the District.

6.12 Further discussions are also required to finalise agreement a specific section of route around a farm north east of Kirby Misperton. Initial meetings have been held with the farmer where the route would benefit from diversion of the existing bridleway away from an operational farmyard. Discussions have been positive as diversion of the route would be of mutual benefit to users of the route and to the farmer (it would reduce the risk of conflicts resulting from users passing through an operational farmyard). Officers would then seek the formal diversion of the existing bridleway to avoid the farmyard. It is worth stressing, however, that an enhanced cycle route could still be

delivered even if the diversion is not agreed – the route would simply follow the line of the existing route through the farmyard. Whilst this would not be ideal, it would still enable a significant improvement on existing provision to be implemented.

Offer of Funding

- 6.13 Officers received an offer of funding totalling £628,219.73 on 22 May 2018. The offer is open up until 2 July 2018 and so, if the Members would like the Council to pursue this opportunity, the Council must accept the offer and return a signed grant agreement by that date otherwise the offer will automatically lapse. The letter is attached at **Appendix 2 (exempt)**.

Proposals for procurement

- 6.14 The proposed work will take place on the NYCC's highways and rights of way network and it is therefore essential that the County Council are satisfied that the consultants and contractors are suitably qualified and experienced. It is therefore proposed to appoint consultants and contractors using the County Council's appropriate framework contracts.

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:

a) Financial

The Council will be responsible for any cost increases incurred on the project.

Failure to comply with grant conditions, failure to submit grant claims in accordance with instructions or by the specified deadline, and any errors in the grant claims could result in penalties being applied. This could result in grant claims being delayed, reduced, withheld or rejected.

If the Council breaches the terms of the funding agreement then the RPA could demand repayment of the grant, which would then be treated as a debt owing by the Council to the RPA.

The grant funding will be paid in arrears following submission of fully evidenced grant claims, to be submitted at three set points during the project. This means that the Council will need to stand the project cash flow between initial project expenditure and the grant being paid following submission of grant claims.

b) Legal

The Council would have to comply with all grant conditions as set out in the grant offer letter and terms and conditions.

It is expected that the Council will need to prepare and enter into a Section 278 agreement to enable us to undertake roads on NYCC's highway network.

Legal agreements will be required with consultants/contractors.

The Council will 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

- Staffing - Successful implementation of this project will require the investment of a significant amount of officer time, particularly from:

- i) the economic development service relating to overall project management and administration, including appointment and management of consultants, procurement, selection and management of contractors, liaison with NYCC Highways and Rights of Way teams, compiling and submitting grant claims and project monitoring reports; and
 - ii) the finance service – particularly the provision of detailed financial and evidence to support grant claims.
- Delivery of the project will have a positive effect upon:
 - i) Equality – by making more of the proposed route available for those with disabilities;
 - ii) The environment – by encouraging greater uptake of non-motorised forms of transport and providing greater opportunities for physical recreation the project will contribute towards a reduction in congestion and improved air quality;
 - iii) Climate change – as above, the project will encourage greater uptake of non-motorised forms of transport with a resulting reduction in carbon emissions.

8.0 NEXT STEPS

8.1 Should the recommendations of this report be adopted the next steps will be to progress the project implement the cycle route project including:

- Accept offer letter and enter into funding agreement
- Procurement and appointment of consultants and contractors (most likely using pre-tendered NYCC framework contracts)
- Progress discussions with landowner regarding diversion of bridleway
- Progress formal diversion process for bridleway
- Develop marketing strategy for route
- Plan and hold a programme of business engagement workshops to identify how local businesses can maximise opportunities arising from the route

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Background Papers:

Include any referenced papers

Background Papers are available for inspection at:

- [Scrutiny Review on Climate Change \(21 March 2019, Minute 103\)](#)
- [Council Approval to project development recommendations, 12 Oct 2017 – Minute 45 \(referring to below P&R recommendations\)](#)
- [Policy & Resources Minutes 21st Sept 2017 – see Minute 27 relating to project](#)

