

COMBINED AUTHORITY EXECUTIVE MEETING

2 OCTOBER 2024

MAYORAL INVESTMENT FUND – PROJECT FUNDING DECISIONS

Report of the Head of Delivery and Head of Strategy

1.0 Purpose of the Report

- 1.1 This report sets out proposals from North Yorkshire Council and City of York Council for funding from the Mayoral Investment Fund.
- 1.2 The report covers two areas :
- (i) for information, the confirmed pipeline of investible schemes requiring further preparatory and development work that, when delivered, will contribute to the York and North Yorkshire Economic Framework; and
 - (ii) projects that are proposed for delivery, requesting decision on approval of funding from the Mayoral Investment Fund.

2.0 Recommendations

- 2.1 Members are requested to note the pipeline projects listed below, that have been considered by Chief Executive (successor to the Interim Director of Transition) and Director of Resources (Section 73 Officer) and will be progressed, under delegated authority, following the allocation £1m (£500,000 for each local authority) at the meeting of the York and North Yorkshire Joint Devolution Committee on 15 December 2023:

North Yorkshire Council :

- Housing Revenue Proposition
- Ripon Connectivity
- Scarborough Town Centre Sites
- Skipton Wyvern Link Road
- Selby Abbey Quarter

City of York Council

- Our City Centre Regeneration
- Construction Skills

- 2.2 It is recommended that the following projects be approved for Mayoral Investment Fund grant as listed below and detailed in the report :

North Yorkshire Council :

- Harrogate A61 Major Junctions Improvements
- Selby Station Gateway Contribution

City of York Council :

- York Cultural Passport for Young People Programme
- Electric Vehicle Charging Infrastructure

- 2.3 All projects will be progressed through Grant Funding Agreements (GFAs) and any outstanding matters will be addressed through conditions to be included in the GFAs.

3.0 Background

- 3.1 At the meeting of the York and North Yorkshire Joint Devolution Committee on 15 December 2023 it was recognised that significant work had been completed to develop the Economic Framework for York and North Yorkshire. To accompany this and to enable first year progress it was agreed that a pipeline of investible schemes would be required to be developed to HM Treasury Green Book standard “Full Business Case”. This would enable an incoming Mayor the option to consider the opportunities for investment should there be alignment with their manifesto.
- 3.2 An amount of £500,000 was approved in principle for each local authority to propose a schedule of pipeline schemes requiring further development. Agreement of specific outcomes from the funding was delegated to the Interim Director of Transition and Interim S73 Officer. These roles are now superseded by the Combined Authority Chief Executive and Director of Resources (with Section 73 responsibility).
- 3.3 In addition City of York and North Yorkshire Councils were asked to develop business cases for investments which met the priorities of the Economic Framework and enabled the Mayor to accelerate investment across the region.

4.0 Current Position

- 4.1 The applications received for the proposed pipeline of projects requiring further development are listed at Appendix 1 for each local authority to show how the approved £500,000 is being utilised. These have been reviewed and approved in principle by the Chief Executive and Director of Resources in accordance with the original approval for allocation of Mayoral Investment funding. Details are provided for reference and for noting by Members.
- 4.2 The specific outcomes for the approved pipeline projects listed at Appendix 1 will be set out in Grant Funding Agreements. Progress will be monitored and reported through Combined Authority governance and assurance processes.
- 4.3 With regard to the delivery of projects, as referred at Section 3.3, the schedules set out at Appendix 2 show the submitted projects that have been subject to appraisal of

the outline business case. The current status of the appraisal for each project is shown in the table. Meetings have been held with project officers, and further information and clarifications have been requested on a range of issues to inform the final recommendations.

4.4 It should be noted that an additional project for York Movement and Place Transport Plan that was referenced in the previous report to Combined Authority Executive on 6 September 2024, will now be supported via approved Combined Authority Transport Plan funding. Initial work at a cost of £150,000 will be undertaken, to inform further development of the more detailed Movement and Place Plan.

4.5 The Executive is requested to consider the projects at Appendix 2 and support the recommendations for each as shown.

5.0 Programme Monitoring, Evaluation and Development

5.1 Formal programme monitoring and evaluation arrangements will be put in place by the Combined Authority as part of the Governance and Assurance for the Mayoral Investment Fund. Work will continue to develop a longer-term pipeline and inform future programme design for investments from the Mayoral Investment Fund within the context of the York and North Yorkshire Economic Framework, and the emerging York and North Yorkshire Growth Plan.

6.0 Financial Implications

6.1 The total amount of funding requested from the Mayoral Investment Fund by the projects listed in the table at Appendix 2 is £4.075 million. The project contributions are capped as maximum amounts, and the respective project sponsors will be liable for any additional costs or increases during the delivery stage. The project sponsors are responsible for meeting all fee costs for delivery of these projects.

6.2 The Combined Authority is required to agree a balanced budget annually and to monitor that budget throughout the year. In addition, there is a fiduciary duty not to waste public resources, to secure value for money and ensure that good financial governance arrangements are in place.

6.3 The table below outlines the current position for the Mayoral Investment Fund should the recommendations in this report (and other reports elsewhere on this agenda) be approved. A detailed breakdown is provided at Appendix 3.

York and North Yorkshire Combined Authority	£000's
Mayoral Investment Fund Gainshare Funding Available 2024-2028	81,000
Budget allocations/ anticipated medium term commitments	18,500
Additional support to existing programmes	5,460
YNYCA programmes	34,785
Total Committed	58,820
Balance Remaining	22,255

7.0 Legal Implications

7.1 A formal funding agreement will be put in place for each project.

7.2 All projects will be required to submit a UK Subsidy Control Assessment before receiving funding to ensure compliance.

8.0 Equalities Implications

8.1 No equalities implications are anticipated.

9.0 Environmental Implications

9.1 There are no specific implications arising from this report.

10.0 Risks and Mitigations

10.1 The projects recommended for approval in this report are without conditions, although there may be specific requirements to be included in Grant Funding Agreements as “Conditions Precedent” which must be met before grant payments will be made eg confirmation of match funding from other sources (where stated in the project application).

10.2 Detailed risk registers are available for each project.

11.0 Recommendations

It is recommended that :

11.1 Members are requested to note the pipeline projects listed below, and detailed at Appendix 1, that have been considered by Chief Executive (successor to the Interim Director of Transition) and Director of Resources (Section 73 Officer) and will be progressed following the allocation £1m (£500,000 for each local authority) at the meeting of the York and North Yorkshire Joint Devolution Committee on 15 December 2023 :

North Yorkshire Council :

- Housing Revenue Proposition
- Ripon Connectivity
- Scarborough Town Centre Sites
- Skipton Wyvern Link Road
- Selby Abbey Quarter

City of York Council

- Our City Centre Regeneration
- Construction Skills

11.2 It is recommended that the projects listed below, and detailed at Appendix 2, be approved for delivery by the respective local authorities, with grant contributions from the Mayoral Investment Fund :

North Yorkshire Council :

- Harrogate A61 Major Junctions Improvements
- Selby Station Gateway Contribution

City of York Council :

- York Cultural Passport for Young People Programme
- Electric Vehicle Charging Infrastructure

11.3 All projects will be progressed through Grant Funding Agreements (GFAs) and any outstanding matters will be addressed through conditions to be included in the GFAs.

12.0 Contact Details

For further information please contact the authors of this Report.

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Background papers

Report to the York and North Yorkshire Joint Devolution Committee - 15 December 2023
([Minute 25 Refers](#))

Appendices

- Appendix 1 – Schedule of Pipeline Development Work for Economic Development Projects
- Appendix 2 - Schedule of Economic Development Projects for Delivery
- Appendix 3 – York and North Yorkshire Mayoral Investment Fund Breakdown of current financial commitments

APPENDIX 1

Schedule of Pipeline Development Work for Economic Development Projects

North Yorkshire Council Pipeline Project Work	Mayoral Investment Fund Request	Activity	Comments
Housing Revenue Proposition	80	Feasibility/preliminary work	Leading to delivery of 200 homes - 26/27 60 homes; 27/28 140 homes; HRA development budget £66m
Ripon Connectivity	80	High level preferred masterplan drawings with estimates, OBC with BCR for scheme and phases	Active Travel/Mobility Hub - to inform next stages of preliminary work for bid ready proposals
Scarborough Town Centre Sites	100	Feasibility/preliminary work	Scope - former Argos building and Brunswick Centre
Skipton Wyvern Link Road	90	Preliminary design, to enable planning application, detailed design to inform main scheme design	Connection for relief road access to A629 by-pass – will enable detailed costs in readiness for procurement and delivery
Selby Abbey Quarter	150	Range of feasibility and prelim work	Several components of Selby Town Centre Regeneration Phase 2 Abbey Quarter- links to Selby Vision and Masterplan and TCF adjacent Phase 1 Station Gateway
Total Requested	500		

City of York Council Pipeline Project Work	Mayoral Investment Fund Request	Activity	Comments
Our City Centre Regeneration	430	Spatial framework for city centre public spaces, delivery strategy and identified pipeline of capital regeneration projects	For the York "Our City Centre" vision, for subsequent delivery (NB links to Movement and Place Plan - see separate project)
Construction Skills	70	Pilot phase	York Construction Skills Initiative - for further development and scale-up of private/public partnerships for training and work experience
Total Request	500		

APPENDIX 2

Schedule of Economic Development Projects for Delivery

North Yorkshire Council Projects	Mayoral Investment Fund Request £000's	Status (recommendation)	Comments
Scarborough Harbour Infrastructure for Boat Hoist	700	Approved	YNYCA Exec 6 Sept 2024
EV Charging Infrastructure Remedial Work Programme	175	Approved	YNYCA Exec 6 Sept 2024
Harrogate A61 Major Junction Improvements	500	Appraisal complete (approve)	Upgrade signals on key junctions of A61 central Harrogate to maximise benefits of Harrogate Station Gateway Transforming Cities Fund project on the inner road network
Selby Station Gateway Contribution	700	Appraisal ongoing (approve in principle)	Referred to applicant to review specific elements to be supported by this contribution
Total Requested	2075		
City of York Council Projects	Mayoral Investment Fund Request £000's		Comments
Cultural Passport for Young People Programme	460	Appraisal complete (approve)	Approval in principle for £460k, approved current request £120k, subject to gateway review for next delivery phases. Cultural development and engagement programme for Young People
EV Charging Infrastructure	1540	Appraisal Pending (approve in principle)	Contribution towards overall investment of £4.6million in three EV charging projects.
Total Requested	2000		

APPENDIX 3

York and North Yorkshire Combined Authority	£000's
Mayoral Investment Fund Gainshare Funding Available 2024-2028	81,000

Budget allocations/ anticipated medium term commitments	
Core operating costs and contingency	12,400
YNYCA Set up and implementation	2,100
Costs of mayoral elections	4,000
	18,500
Additional support to existing programme (excess demand)	
AEB	300
Brownfield Housing (Round 2 Phase 1)	1,300
Brownfield Housing (Round 2 phase 2)	3,360
Net Zero	500
	5,460
YNYCA programmes	
NYC pipeline development allocations (see Appendix 1)	500
CYC pipeline development allocations (see Appendix 1)	500
NYC priority economic development projects (see Appendix 2)	2,075
CYC priority economic development projects (see Appendix 2)	2,000
Route map to Carbon Negative	100
Cost of living plan	260
Great places - develop high street investment	1,550
Transport Strategy	200
Housing - Strategic relationship : Homes England Retrofit Strategy	50
Business and Skills engagement and innovation	50
Carbon Negative Challenge Fund 2024-28	10,000
Vibrant and Sustainable High Streets 2024-28	10,000
Business Innovation Fund 2024-26	5,000
Skills Innovation Fund 2024-26	2,500
	34,785
Total committed	58,745
Remaining uncommitted	22,255