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**ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL**

A meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel was held on 6 February 2019.

**PRESENT:** Councillors Storey, (Chair), Arundale, Branson, Higgins, Lewis, Walkington and Walters

**ALSO IN ATTENDANCE:** J Cain, BBC Local Democracy Reporter

**OFFICERS:** S Gilmore, S Lightwing, M McPhee

**APOLOGIES FOR ABSENCE** were submitted on behalf of Councillors Hubbard and McGloin.

**DECLARATIONS OF INTERESTS**

There were no Declarations of Interest at this point in the meeting.

1 **MINUTES - ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL - 9 JANUARY 2019**

The minutes of the meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel held on 9 January 2019 were taken as read and approved as a correct record.

2 **CITY CENTRE STRATEGY**

The Head of Economic Growth and the Town Centre Manager were in attendance to provide an update in relation to the City Centre Strategy. The presentation set out the rationale for the work the Council had undertaken to date and some of the key things that would be actioned to take the Strategy forward.

Whilst the current population of Middlesbrough was circa 140,000, within 30 minutes there was a much bigger city-scale population of 800,000. Middlesbrough needed to present itself as a much bigger market base for businesses to operate in and work with its neighbours to become the de facto city centre for the Tees Valley. The vision for Middlesbrough centre was to provide a full range of opportunities, amenities and facilities of a major city centre and become the destination of choice for Tees Valley residents and visitors. Middlesbrough would become a hub for employment, vibrant culture and leisure opportunities with excellent residential opportunities and accessibility for all.

Officers had considered why Middlesbrough needed a City Centre Strategy from a number of angles in terms of civic pride, people aligning themselves to Middlesbrough and feeling proud of the area, and also from investors understanding what the area could offer and making long term decisions. The aim was to achieve a number of impact changes to take Middlesbrough to the next level. Middlesbrough centre was relatively healthy given the national picture but there were some fragilities. It was vital for investors to understand the direction of travel from the Local Authority and how businesses could cluster together in their demographic group and self-sustain by being co-located.

Attracting more visitors and consumers was a huge drive because all businesses relied on trade and footfall. Middlesbrough had several attractions but they needed to be enhanced. People traditionally came to high streets to service consumer needs but the experience of coming to an area was critical so more opportunities than shopping, retail or leisure were needed. Aligning the Council's capital programme and funding from the High Streets Fund with private investors had encouraged more investment and businesses could buy into that ethos. The Council had also provided public ground works to attract investors and was following through on the ambitions stated in the Investment Prospectus.

The housing and urban living agenda within the city centre would also help address some of the vacant retail space by converting it into accommodation and getting people back to live in

the area as well.

Progress made to date included:

- Centre Square Grade A Office - Phase 1 underway.
- Town Hall Refurbishment - complete.
- Rail Station - Phase 1 complete/£25m+ committed.
- Independent Sector - Baker and Bedford Street.
- New Faces - Bistrot Pierre, Flannels, Turtle Bay.
- Major brands in Tees Valley consolidating to Middlesbrough.
- Teesside University Plans and Student Village.
- Positive vibe - Investment Prospectus (vision and delivery) had inspired.
- Private Sector responding - Tier 1, The Zetland, Jomast (Albert North).
- Flourishing Hotel Sector.
- Office block conversions (Rede House, St James' Studios, Crown House).
- Boho and digital sector.

There were of course challenges to be faced. The retail environment was very competitive and Middlesbrough had done well so far but at the expense of some neighbouring towns including as Redcar and Stockton, where Marks and Spencer had closed shops and consolidated into Middlesbrough and Teesside Park. The new property at Centre Square and developments in Albert Road were needed to host more jobs and increase spending power. On average, a worker would spend £20 per day in the city centre through public transport and direct spending. The experience was of being in the city centre was critical, so that there were other things available that shopping centres and online shopping could not provide - such as going to the cinema, having a meal or hosting events and attractions. Teesside Park was in the process of re-developing the southern end of the site into food court to enhance its retail offer.

A recent study had identified that the percentage of Middlesbrough's city centre allocated to food and beverage provision was 11%, whereas the national average was 20%. There was therefore still scope to extend. Some areas, for example, Linthorpe Road, had many convenience food outlets but there were not so many fine dining establishments. Some of the recent restaurant additions had shown that there was quite a well-protected disposable income from all demographics. People were willing to protect their leisure and social time and cut back on other essentials.

Perceptions of the area were generally poor and this did not align with statistical facts in terms of crime and anti-social behaviour as progress had been made. However, it was how people felt and this needed to be addressed as it did not match the reality.

With regard to the day time to early evening economy there was a dip until 7 pm or 8 pm and this gap needed bridging to provide a continual offer. The urban living agenda would be critical to smoothing this out. There was still a lower than average spend per head per visit but this was probably as a consequence of the current under-representation in the food and leisure sectors.

According to data obtained from surveys of city centre consumers, Teesside residents and businesses, Middlesbrough was broadly spending less than most other areas in terms of attracting visitors. People largely came to the city centre based on proximity rather than major attractions bringing them on. A popular word used by all those surveyed was 'potential', which was positive.

The priorities for Middlesbrough were presented as follows:

- A Quality Place: Presenting Middlesbrough as a safe, clean and attractive place.
- Attract and Enhance: Creating a vibrant city centre with an offer that matched consumer wants.
- Animate and Inspire: Continuing to invest in culture and leisure to drive the visitor economy, encourage multiple interactions, change perceptions and build a positive reputation.

- Opportunity and Investment: Enabling the private sector to diversify and invest with confidence.
- Connect: Providing the right facilities to create an accessible, attractive City Centre that is easy to get to, from and within.

The following strands of the City Centre Strategy were highlighted:

- Promoting urban living through conversions, living over the shop and new build.
- Encouraging use of vacant shops for new uses, through grant schemes to owners.
- Develop distinctive character zones for Boho, Linthorpe Central, Centre Square to promote business clustering and destination marketing.
- Further developing Centre Square as a cultural destination with investment in Central Library, Municipal Buildings, events and further office development.
- New signage to include navigation within the City Centre and access to and from.
- Bringing major empty buildings back into use by working with property owners.
- Enhance connectivity, including bus prioritisation.
- Work with businesses and agencies to reduce begging and homelessness.
- Invest in key gateways to improve first impressions.
- Work with private sector to attract absent retail/leisure /food and beverage brands.
- Establish a quality festival and events programme using assets and public spaces

The critical message through the City Centre Strategy was that Middlesbrough Council could only do so much and collaboration with local stakeholders was the key to success. A Delivery Board would be established with property owners to enable strategic input. There were a number of funding opportunities such as the Future High Street Fund and the Tees Valley Combined Authority. Middlesbrough would be putting in an expression of interest for circa £20 million and had put together a compelling case. There was also a Town Centre Taskforce, hosted by the Town Centre Manager, which regularly assessed upcoming issues and where more strategic impact was needed.

Members made the following suggestions:

- Extend car parking opening hours around the town as currently many close at 7.30 pm. It was highlighted that the provision of permits was also a key priority.
- Change the use of some retail units. It was noted that the old 'New Look' shop had recently opened as an art gallery.
- Provision of a Tourist Information Centre.
- Increase promotion of the Transport Bridge, lift and museum and develop a bus route linking the Bridge to other areas of Middlesbrough such as MIMA.
- Improve signage, especially at arrival points to the city centre such as the rail station.
- Promote Middlesbrough as a University town.
- Promote Middlesbrough's open parks and spaces - there are eight with green flag awards.
- Link with the Housing Delivery Vehicle team to facilitate the growth of urban and city centre living.
- Establish a regular event that could be associated with the city, for example, Durham City has Lumiere.
- Continue to encourage and grow the digital and creative enterprise zone in Boho and assist businesses to stay and grow in Middlesbrough.
- Hold job fairs to advertise local vacancies and recruit and retain local employees and university graduates.

An invitation was extended for Panel Members to undertake a site visit to Boho to meet with business representatives.

**AGREED** that the information provided was received and noted.

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### **AIR POLLUTION - DRAFT FINAL REPORT**

The Democratic Services Officer presented the draft Final Report of the Economic Development, Environment and Infrastructure Scrutiny Panel on Air Pollution.

The aim of the scrutiny investigation was to identify the causes and impacts of air pollution and suggest measures that could be put in place locally, and as part of national strategies, to reduce those levels and improve air quality.

The Panel discussed conclusions and recommendations for inclusion in the Final Report. An additional recommendation was proposed in relation to the promotion of car share schemes by the Council.

**AGREED** as follows that:

1. The following conclusions were included in the Final Report:

a) **TERM OF REFERENCE A** - To investigate air pollution in Middlesbrough: how it is monitored and how it compares regionally/nationally and in relation to EU Standards.

Despite pre-conceptions, Middlesbrough has a very good record in terms of air quality, particularly in the most heavily populated areas of the town. The measures that the Council take to monitor air quality and particulates are detailed, wide-ranging, and provide comprehensive coverage of the town to ensure the Council is aware of any issues. Middlesbrough's latest Air Quality Annual Status Report (ASR) dated June 2018, confirms that Middlesbrough air quality is consistently good when compared with Government objectives and no Air Quality Management Areas have been declared.

Middlesbrough has two fixed Air Quality Monitoring Stations and 27 Diffusion Tubes located at 23 sites across Middlesbrough. Common pollutants in Middlesbrough include Nitrogen Dioxide (NO<sub>2</sub>), Particulate Matter (PM<sub>10</sub> PM<sub>2.5</sub>) and Sulphur Dioxide.

The Daily Air Quality Index (DAQI) on DEFRA's website: UK Air - Air Information Resource, provides daily updates on pollution levels by region across the UK.

Since 2010, the UK has been in breach of the European Union's (EU) NO<sub>2</sub> limit. Two locations in Middlesbrough, both on the A66, have been identified as exceeding these levels. However, work is ongoing using local modelling and data to establish whether the data is the same as that identified through the national model imposed by EU and the results will be reported to the Executive in due course.

b) **TERM OF REFERENCE B** - To identify and explore what measures Middlesbrough Council has implemented to improve air quality and any future initiatives that are planned.

The latest Air Quality Annual Status Report (ASR) (June 2018), lists 38 initiatives that are being planned, or are in the process of being implemented to reduce vehicle use, emissions and congestion.

Middlesbrough Council is currently progressing the design works for five projects to improve air quality along the A66 and has been awarded £1.813m Early Measures funding from the Joint Air Quality Unit (JAQU) to implement these schemes.

As part of Middlesbrough's Local Improvement Plan (LIP), the Cycling and Walking Policy is being refreshed. The Council has an Active Travel Policy encouraging people to walk and cycle more frequently. A range of opportunities exist for Council employees designed to promote sustainable travel and they are promoted on the staff intranet.

The Council is in the process of developing a new Local Plan, which will include a number of policies to mitigate air pollution.

Middlesbrough currently has no tree planting policy. However, when opportunities arise, every effort is made to facilitate planting on Council owned land.

c) **TERM OF REFERENCE C** - To investigate examples of good practice in other local authority areas which could be adopted in Middlesbrough.

The Panel received a presentation from Leicester City Council, who have implemented an Air Quality Action Plan due to breaching EU air quality standards in NO<sub>2</sub>. The Plan focusses on reducing transport emissions, promoting sustainable transport, improving traffic management and enhancing planning and the environment. From the evidence provided by Officers, it is clear that Middlesbrough is already implementing similar measures to address air quality.

The Panel also received information about in relation to opportunities for hydrogen in the Tees Valley. The Tees Valley is well-placed to be a national hub for hydrogen power and the development of hydrogen as a fuel source both domestically, industrially and in the transport sector. This is an exciting opportunity and TVCA are leading the drive to deliver this in Middlesbrough and the wider Tees Valley.

d) TERM OF REFERENCE D - To investigate the impacts of air quality on the local social and physical environment and how this can be mitigated.

Poor air quality has a negative impact on both human health and biodiversity. Chronic conditions such as cardiovascular and respiratory diseases can be caused by long-term exposure to air pollution. Air pollution can cause acid rain, damage animals and plants, and contribute to climate change.

Air quality can be improved by reducing emissions from road transport, energy generation and domestic and industrial combustion. Potential air pollution can also be mitigated through design and development: providing good access to open spaces, recreation facilities, landscaped areas and woodland planting. A standard tree absorbs 13 pounds of CO<sub>2</sub> per year and can supply enough oxygen for four people each day and some species can also trap airborne pollutants. The more trees that are planted, the greater the mitigating effect on carbon in the atmosphere.

Middlesbrough Council takes environmental concerns into account through the planning process. Green spaces and environmental issues are a key part of the Council's deliberations when considering new developments, whether in terms of housing, infrastructure or business. When designing new developments, easy access to public transport will help to minimise the use of private cars. The incorporation of design features such as car charging points in new developments could help promote the use of electric cars.

2. The following recommendations were included:

a) The Council revert back to replacing all trees on a '1 for 1' basis. The environmental impacts in terms of carbon footprint of planting one tree are massive and where trees have to be removed they should be replaced as a matter of course.

b) The Council should actively encourage local Community Groups, Elected Members and others to access the funding that is available through the Woodland Trust for trees for their local areas and facilitate planting of those trees across the town.

c) Middlesbrough Council's recently established Housing Delivery Vehicle (HDV) should seek to mitigate potential air pollution through design and development in all its projects, ensuring that electric charging points are included as standard in any new builds.

d) Linked to the Panel's 2017 report on Bus Services - Middlesbrough Council, through its seat on the TVCA - should lobby private bus companies to deliver hydrogen-powered buses in Tees Valley. Any future voluntary/enhanced partnership/franchising scheme should include provisions for hydrogen buses, with the Tees Valley applying for funding from the Government's Low Emission Bus Scheme (DfT/OLEV) for the purchase of low emission buses and associated infrastructure.

e) The Council should set as an aspiration that by 2023 at least half its vehicles will be powered by hydrogen. This aspiration should be set with a view to continuing joint-working with TVCA and supporting projects such as H21, to deliver research and development into hydrogen power and subsequent large-scale infrastructure investment. Where opportunities

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arise, the Council should promote making hydrogen a viable alternative fuel source as the move towards increased domestic and industrial use continues apace, recognising both the environmental and economic benefits of decarbonisation.

f) A survey is undertaken to ascertain the current use of electric/hybrid/hydrogen vehicles by Middlesbrough residents.

g) The Council should explore all available opportunities to promote car sharing schemes not only to its own employees but also the wider community and in collaboration with local businesses and other stakeholders.

h) In order to encourage the take-up of low emission vehicles in Middlesbrough, consideration is given to Council Tax reductions for people using electric or hydrogen vehicles.

3. The report would be submitted to the Overview and Scrutiny Board for consideration.

#### 4 **OVERVIEW AND SCRUTINY BOARD UPDATE**

The Chair gave a verbal update on items discussed at the Overview and Scrutiny Board meetings held on 15 January and 5 February 2019.