
ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL

A meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel was held on 8 January 2020.

PRESENT: Councillors Saunders, (Chair), Branson, Coupe, Furness, Hubbard, Saunders, M Storey and S Walker

PRESENT BY INVITATION: Councillor Thompson, Chair of Overview and Scrutiny Board

ALSO IN ATTENDANCE: J Cain, BBC Local Democracy Reporter

OFFICERS: R Horniman, S Lightwing

APOLOGIES FOR ABSENCE were submitted on behalf of Councillors Arundale, Garvey.

DECLARATIONS OF INTERESTS

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

19/23 **ANNOUNCEMENT**

With regret, the Vice Chair announced that Steve Binks, former Principal Engineer, and Michael Dunham, Building Attendant, had recently sadly passed away.

All those present stood for a minute's silence to remember them.

19/24 **MINUTES - ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL - 6 NOVEMBER 2019**

The minutes of the meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel held on 6 November 2019 were taken as read and approved as a correct record.

19/25 **M HOMES/HOUSING DELIVERY VEHICLE - UPDATE**

M Homes was incorporated approximately one year ago as a vehicle for developing housing sites that commercial developers were not interested in. Initially, three projects were proposed at Beechwood, Hemlington and Gresham. Since that proposal, Beechwood and Gresham had been taken forward through a different route and there was also now commercial interest in Hemlington.

The newly appointed Mayor had a new agenda to promote urban living. M Homes had been re-named and was now the Middlesbrough Development Company (MDC). The objective of MDC was to facilitate building taking place rather than actually undertaking building work itself. The MDC had identified seven urban living sites that could be developed, although not all projects would go forward. If the Council built a development itself this could tie up a large amount of capital and there was only sufficient funding to do one or two sites at a time. A Framework Business Plan was being drawn up to identify the type of projects that could be undertaken and the associated costs. It was anticipated that the Framework Business Plan would be submitted to Executive for approval in spring 2020.

One project that the MDC would deliver was the regeneration of Tollesby Shops. The shops were in private ownership and therefore MDC needed to secure ownership, clear the site and then develop it. Planning permission was already in place for an existing development scheme. However, the MDC Board had agreed that the scheme would not achieve a lot of the required objectives and had therefore requested a re-designed scheme. This would delay the project by approximately three months and new planning permission would be required.

The expectation was that MDC would design the project and then let the contract for someone else to build the development, whilst retaining ownership and management. There would be an element of commercial property shop units and also residential units that might be sold off to a housing provider. The idea was to facilitate the development in the most cost effective way and then use the financial return to start another development.

It was highlighted that one of the objectives of M Homes was to build Council housing to provide more affordable housing for Middlesbrough residents. Given the political direction of the Council the urban living agenda was taking priority, and there was no desire to build Council houses as had been the case in the past. The sites that were brought forward were likely to be those that were currently in someone else's ownership and also a blight on the community.

Another objective of the original company had been to drive the creative aspects of new development using innovative designs that were environmentally friendly and sustainable. It had also been seen as an opportunity for income generation for the Council with control over maintenance and lettings retained. It was noted that MDC was set up with a combination of funding from Section 106 Agreements and Public Works Loan Board (PWLB). The previous approach with S106 money was that this would be given to a developer and they would provide affordable housing. However, that funding was then expended with no return to the Council. It would therefore be a judgement call on a scheme by scheme basis as to whether the company tied up capital in a project and received income in the longer term or facilitated getting projects started and then retrieving the set up costs to use on another project.

It was acknowledged that the Council would not be a volume house builder but wanted to add to the Middlesbrough landscape by delivering good quality homes. There was a general acceptance that urban living projects which had the "wow" factor could be better delivered by the private sector. However, the Council would still be able to promote its own involvement in those projects.

One Member highlighted three brownfield sites in his Ward which needed to be brought back into use and voiced concern that new developments might be market driven rather than focussed on what communities needed. It was indicated that funding could be available through the Towns Fund to tackle sites that were a blight on communities.

With regard to town centre development, it was confirmed that in theory, the MDC enabled the Council to retain control of the type of accommodation constructed. The Council was not a provider of housing and therefore could not access all the government funding available and would require a partner to get access to certain funding streams. MDC was in some ways, under-writing the risk to try and get projects started.

AGREED that:

1. the information provided was received and noted.
2. a further update would be provided to the Panel at the appropriate time.

19/26

REVIEW OF INFRASTRUCTURE DELIVERY - FURTHER INFORMATION AND DRAFT FINAL REPORT

Councillor Branson presented information he had obtained from representatives of Northern Rail and Transpennine Railways to the Panel. It was highlighted that both franchises might or might not continue in the future.

Transpennine intended to provide additional services to Manchester, and the Manchester Airport service had recently been extended to Redcar. New rolling stock with five carriages and more seating capacity in line with intercity trains was also being introduced. There were plans for a direct service from Nunthorpe to Newcastle via Durham and Middlesbrough to Liverpool Lime Street from 2023, as well as interest in providing a service to Nottingham/Leicester and on to Cambridge and also a link to Birmingham. Northern Rail could not run direct trains to Newcastle on the East Coast mainline due to the limited speed of rolling stock.

With regard to goods transport, the Transpennine Route needed upgrading as well as improvements to the Hope Valley line. This route would lead to port facilities at Liverpool Dock or Trafford Park.

A key issue was the redevelopment of Middlesbrough Rail Station and the provision of an additional platform for new services. Middlesbrough Station had 100K journeys a month and over 1 million per year for all services.

Smart ticketing was now available and the Plusbus card could be used on some local bus travel. Transpennine were open to the opportunities that a Park and Ride facility could provide in conjunction with the Tees Valley Combined Authority (TVCA) and Transport for the North (TfN).

Northern Rail had introduced two new services between Whitby and Middlesbrough in December 2019, providing early morning and late evening transport. Pacer trains were being phased out.

A new station was due to open at Horden in May 2020 and two extra services would be provided from Middlesbrough to Newcastle. It was also planned to provide an extra, slightly quicker, hourly service along the Durham coast line from December 2020.

Northern Rail wanted to open up a new service north to Durham via Stillington but was currently unable to access the line which was used for goods only. The coast route was too long for a very fast service. The current route travel time from Middlesbrough to Newcastle was one hour and twenty minutes, whereas using the Stillington route the service could reduce travel time to only forty minutes. Northern Rail had indicated that support from the Council could help to open this line up.

It was noted that rail usage in Middlesbrough was currently constrained by capacity issues but there were additional lines that could be opened up.

Northern Rail had not introduced smart ticket as yet due to the complex fare structure and resistance from other train and bus operators. It was easier to develop the use of debit or credit card payments.

On behalf of the Panel, the Chair thanked Councillor Branson for gathering evidence and presenting it to the meeting.

Draft conclusions and recommendations for the Final Report were tabled at the meeting and amendments were suggested. The Democratic Services Officer agreed to amend the draft Final Report and circulate a final version to the Panel via email for approval.

AGREED that the:

1. information provided, and amendments agreed at the meeting, would be incorporated into the final version of the report.
2. following conclusions were approved:

TERM OF REFERENCE A – To investigate current infrastructure planning in Middlesbrough specifically in relation to broadband, housing development and transport, and how this aligns with local and national priorities.

Phase 2 of the BDUK Programme for implementing superfast broadband will not meet the 98.1% target across the five Local Authorities of the Tees Valley by March 2020. However, the TVCA has worked with BDUK and Openreach to develop a full fibre solution which will maximise coverage using Fibre to the Premises (FTTP) technology and is seeking additional external funding to achieve circa 100% coverage across the Tees Valley.

Middlesbrough Council has an adopted Local Plan which is currently under review, in accordance with the National Planning Policy Framework (NPPF). It is anticipated that Middlesbrough's new Local Plan will be adopted by Spring 2021.

The TVCA Strategic Transport Plan (STP) is currently out for consultation, and the final Plan is scheduled to be published early in 2020. Middlesbrough Council's Local Implementation Plan (LIP) will be completed following approval of the STP, and will support its aims by making local improvements to contribute towards the high-level goals.

TERM OF REFERENCE B – To identify and explore the obstacles or challenges to infrastructure delivery.

Currently no Local Authority area in the UK is expected to reach 100% coverage for superfast broadband solely through private sector investment. The private sector, by its nature, is more likely to invest where it can make positive returns on that investment. The costs of investing in remote or hard to reach areas, with relatively few users, often outweighs the financial benefits. Government intervention is aimed at tackling this and reforms for electronic communications infrastructure, planning regulations and street works to enable and speed up the rollout of broadband have been implemented as well as the Building Digital UK (BDUK) Programme.

Planning plays a key role in co-ordinating infrastructure delivery to serve new and existing developments. Towns cannot be re-designed and when new developments are brought forward it is vital to ensure that the required infrastructure can be added within existing constraints. Developments need to be planned as part of a wider picture and not in isolation to ensure that all the required services are available. As well as physical constraints; securing funding, joint working other Council departments such as Education, and Highways, neighbouring authorities, NHS, Fire and Police services, and engagement with the private sector, are all important considerations.

TERM OF REFERENCE C – To consider mitigation measures that could be put in place to improve the resilience of existing infrastructure.

From the evidence presented, the Panel are reassured that Middlesbrough Council has measures in place when planning new infrastructure as well as plans for mitigation.

It was suggested, however, that many Middlesbrough residents would be unaware of the detailed work the Council and its partners undertake in relation to infrastructure planning and perhaps this could be better promoted.

The Panel noted that there had recently been a shortage of secondary school places in the town, and more collaborative working within Council departments, schools and academies was needed to ensure that there were always sufficient school places for the town's children.

The Panel also heard that although car ownership was lower than the national average in Teesside, the number of people commuting to work by car, was higher. During school holidays, there was 20% less traffic on the roads during peak times and far less congestion. The road network would be much improved if not everyone travelled by car and the Council continues to promote sustainable travel.

Provision of broadband was not the Council's responsibility but it was recognised that it impacted on many areas of residents' lives providing economic and social benefits.

As part of the review, Openreach had identified some of the barriers they faced to achieving and maintaining a nationwide full fibre network which included installation as well as take-up.

3. the following recommendations were approved:

A) In order to ensure the Council fulfils the duty to ensure sufficient school places are available for the town's children, the Ad Hoc Scrutiny Panel should undertake a review into school place planning and how Academies in particular can be encouraged to work more closely with the Local Authority.

B) Efforts to encourage more sustainable travel and increased use of public transport should continue to be explored by the Council, including encouraging operators to consider provision of subsidised passes for children and their parents travelling by public transport to school.

C) The Council should promote the detailed work carried out in relation to infrastructure planning more widely to the town's residents and encourage Developers to be more pro-active in keeping residents informed when new developments are planned and taking shape.

D) As part of the planning process, Developers should be required to include full fibre broadband provision in new builds and major refurbishments.

4. two additional recommendations would be added to the report in relation to smart ticketing and facilitating a faster rail link from Middlesbrough to Newcastle.

5. completed report would be emailed to Panel Members for any final comments.

6. authority to approve the final report for submission to the Overview and Scrutiny Board was delegated to the Chair and Vice Chair.

19/27 **SCRUTINY REVIEW OF RECYCLING AND WASTE MANAGEMENT/WASTE DISPOSAL FACILITY - TERMS OF REFERENCE**

Draft Terms of Reference for the Panel's Review of Recycling and Waste Management were tabled for the Panel's consideration.

AGREED that the following Terms of Reference were approved:

1. In recognition of the requirement for a new waste disposal facility for Middlesbrough post-2025, to consider what measures can be implemented to minimise the levels of waste that need to be processed at that facility.

2. To explore the potential of energy from waste and whether there are opportunities for Middlesbrough Council to benefit from the renewable energy produced.

3. To examine elements of the Government's Resources and Waste Strategy, focussing on reducing food waste, improving recycling rates and encouraging manufacturers and consumers to choose and use more sustainable products.

4. To identify and investigate best practice domestically and internationally, that can be adopted in Middlesbrough.

19/28 **OVERVIEW AND SCRUTINY BOARD - UPDATE**

A verbal update was provided on the Overview and Scrutiny Board meeting held on 14 November 2019.

19/29 **DATE OF NEXT MEETING - WEDNESDAY 5 FEBRUARY 2020**

The Chair confirmed that the next meeting of the EDEI Scrutiny Panel would be held on Wednesday 5 February 2020 at 10.30 am.

NOTED

19/30 **ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED**

The Chair requested an update on the clearance of land at Middlehaven which was proposed as the site of a new school. The Democratic Services Officer agreed to obtain an update and circulate it to the Panel.