
ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL

A meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel was held on Wednesday 9 February 2022.

PRESENT: Councillors S Walker (Chair), R Arundale (Vice-Chair), D Branson, D Coupe, T Furness and M Saunders

ALSO IN ATTENDANCE: T Bryant, Head of Transport, Tees Valley Combined Authority

OFFICERS: G Field, R Horniman, S Lightwing, J McNally and C Nicol

APOLOGIES FOR ABSENCE: were submitted on behalf of Councillors B Hubbard, T Mawston and M Storey

21/54 **DECLARATIONS OF INTEREST**

There were no declarations of interest received at this point in the meeting.

21/55 **MINUTES - ECONOMIC DEVELOPMENT, ENVIRONMENT AND INFRASTRUCTURE SCRUTINY PANEL - 12 JANUARY 2022**

The minutes of the meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel meeting held on 12 January 2022 were taken as read and approved as a correct record, subject to the following amendment:

Page 3, paragraph 8, word 14 replace "low" with "slow".

Post-meeting it was clarified that the intention of the statement in relation to slow vehicles was to convey that freer flowing (sometimes slower and not stop/start traffic) improved air quality.

21/56 **BUS SERVICES UPDATE**

The Head of Transport from the Tees Valley Combined Authority (TVCA) provided an update on Bus Services. The TVCA, along with the five Tees Valley Councils, had a long history of working in partnership with bus operators. In 2021, the Government published a new National Bus Strategy, which included requirements to build on existing partnership working.

One of those requirements was for the local authorities to develop a Bus Service Improvement Plan (BSIP). The BSIP included a five point action plan setting out how bus services in the Tees Valley would be improved. The action plan was structured around:

- De-carbonising the fleet.
- Considering how fares could be simplified and how targeted promotions for particular groups, such as young people, could be introduced.
- Customer experience and how information provision could be improved.
- Infrastructure, and what could be done on key travel corridors to make them more efficient for buses to travel along; as well as improving waiting facilities for passengers.
- How improvements could be made to the network to reflect what was happening across the Tees valley in terms of growth markets and also ensuring the Tees Flex Service was integrated.

The BSIP was submitted to Government in October 2021 and published on the TVCA's website. The funding allocation to deliver the BSIP was expected to be awarded by the end of February 2022. The next step would be to decide how the funding would be allocated across the five priority areas and a detailed business case would be produced.

The other main requirement of the National Bus Strategy was that highway authorities had to develop either an Enhanced Partnership or a Franchise system. The Tees Valley Authorities

were in the process of developing an Enhanced Partnership, which was in effect a statutory agreement between the bus operators and the authorities, setting out how the actions in the BSIP would be delivered. A shell agreement that formed the basis of the plan had been developed in advance of the funding allocation.

Throughout the Covid-19 pandemic, the Government had been providing recovery funding to the bus services and this was due to run out at the end of this financial year. Bus operators had experienced a huge reduction in terms of their fare income and there was currently a lot of uncertainty around the financial sustainability of the bus industry. The longer term impacts of the pandemic in terms of passenger numbers was, as yet, unclear. These issues had to be worked through at the same time as trying to deliver improvements and ensure that there was a sustainable bus network across the Tees Valley.

A Panel Member expressed concerns in relation to the enhanced partnership system as to whether it would actually obligate the bus operators to provide the services the local authorities requested, whereas a franchising system would ensure they would have to operate the services required. It was explained that no other local authorities outside of London had implemented a franchising scheme to date, although Manchester and Liverpool had started the process. Introducing franchising was complicated and involved multiple stages of legal process. Before franchising could be introduced, there was a legal test to be satisfied to demonstrate that the partnership approach had not worked. Whilst franchising would give local authorities control, it did not necessarily mean that bus service enhancements could be delivered, as bus companies still needed to make a profit. If services were not profitable, subsidies from public funding would be required. Even with franchising, the core problem remained that if a service was not commercially profitable it would require subsidy. It was also noted that in the Tees Valley there were two dominant operators, and it would be very difficult for a new provider to come in, given the infrastructure costs of setting up a new operation in the Tees Valley, and there would be a very limited market for franchising.

It was highlighted that several European countries invested in the UK's bus companies in order to get a return to subsidise their own public transport services. Whilst it was acknowledged that bus companies existed to make a profit, it was suggested they could make a smaller profit.

With an enhanced partnership, the local authorities could use any public funding available to kick-start new services that had a chance of becoming commercially viable. There was also the potential to capture developer contributions on new housing sites to contribute to new services initially. The more evidence that was available about potential demand, the stronger the position was in terms of having discussions with the bus operators and persuading them to take a bit of a commercial risk in the early days, with the potential for a service to be profitable in the longer term.

One of the aims of the BSIP was to get more people using buses because it would provide the operators with more opportunity to take some commercial risks. Younger people were less inclined to own a car and more inclined to use buses and other modes of transport and this was seen as a growth market to focus on. If more people used buses on some of the busier routes, that would potentially create opportunities, as bus operators would have increased revenue to look at some of the more peripheral services where there was less demand.

There was also a programme of capital investment to prioritise buses on some of the core corridors, for example, Linthorpe Road. The challenge was limited road space, and it was difficult to allocate road space to buses or active travel. Whilst it was not straightforward, there was a commitment to make bus priority improvements.

The TVCA's Tees Flex Service was a three-year pilot scheme which would continue until February 2023. The service was brought in to cover areas of the Tees Valley that did not have any bus services and currently carried about 1500 passengers a week. In spite of the Covid-19 pandemic, the service had experienced strong passenger growth and was still attracting new passengers. There was a much higher proportion of younger people and working-age people using Tees Flex, as opposed to commercially run services, which were generally dominated by concessionary pass holders. One of the main challenges was trying to aggregate trips with the on-demand service and balancing that with trying to encourage as many people onto buses as possible, to reduce the level of subsidy required. The reality was that running public transport in areas with low population densities or low demand, would

always require subsidy. Customer satisfaction with the service was high and people could book their journey via an App or by phone.

The Chair thanked the Officer for attending the meeting.

AGREED as follows that the:

1. information provided was received and noted.
2. Panel would revisit this topic in future.

21/57

THE GREEN STRATEGY REVIEW

The Head of Culture was in attendance and gave a presentation in relation to Middlesbrough Council's Green Strategy Culture and Community Action Group.

The Action Group's current objectives were ambitious and high level, forming a long term strategy, and were as follows:

- Develop an ambitious town wide approach to environmentalism with arts organisations in Middlesbrough: 20 year vision - all arts organisations are carbon neutral by 2040.
- Increase public awareness and engagement in green issues: 20 year vision - Middlesbrough is recognised for relevant cultural programming that is focussed on the environment.
- Increase public engagement with our open spaces: 20 year vision is to increase footfall and engagement from diverse range of communities.
- Create the most radical parks in the UK! 20 year vision: Middlesbrough is recognised as the place with the most innovative parks in 2040.
- Develop a cultural capital plan for Middlesbrough.
- Increase access to culture for communities in Middlesbrough.

There had been a number of success in the first year of the strategy which included:

- Successfully implemented new events at Newham Grange Farm encouraging use of green spaces. A new covered space included an exhibition about the journey from field to plate and there was also a live beehive. The space was dedicated to environmentalism as a whole and the story of the farm and food. Despite the Covid-19 pandemic, visitor numbers continued to increase year-on-year.
- Successfully implemented new events in Middlesbrough parks including Nightfall which encouraged thousands of new visitors to Stewart Park. This was a partnership event with Stellar Projects which attracted 20,000 additional visitors within four days.
- Developed a new investment prospectus for cultural capital investment. The prospectus outlined plans as a cultural sector for the whole town and heritage sector.
- Submitted a £5 million pound bid for developing cultural buildings in the town centre. The bid included £2.5 million for the Central Library.
- Developed an outdoor Holiday Action Fund programme for young people in our parks. Parks and Museums were working collaboratively to engage young people and encourage them to think of parks as cultural venues and visit with their families.
- Secured funding for the Eco-festival. Planning was underway for an Eco-festival which potentially would take place across multiple venues although this had not yet been confirmed.
- Parks investment. This included £100K for Albert Park capital investment, £45K for Stewart Park from Section 106 Funding, potentially up to £90K investment from the Lawn Tennis Association for resurfacing tennis courts in Albert Park, Holiday Action Funding

and Arts Council funding for park events including a circus, fairytales on ice, party in the park, the MELA and sports activities.

The Middlesbrough Cultural Partnership consisted of twenty arts organisations working collaboratively together. This included joint delivery of projects by MIMA and the Tees Valley Nature Partnership.

For the next year, the intention was to build on the cultural programme in parks and ensure events were environmentally sustainable. The Eco Festival would build on the partnership with Environment City and the Town Meal.

There were no additional resources or capacity for the Green Strategy and initiatives were being delivered from within the current Culture and Communities budget. The aim was to embed the ethos of the Green Strategy into everything that the service did, trying to put on additional activities such as the Nightfall project or the capital investment programme.

It was confirmed that a bids had been submitted to the Towns Fund to provide additional investment in Thorntree and Pallister Parks. The Council's Area Care service was currently working on the bowling green at Pallister Park to get it ready for the new season. As well as provision for tennis at Albert Park, consideration could also be given to providing MUGAs (Multi Use Games Areas).

In relation to Newham Grange Farm, it was suggested that consideration was given to introducing reduced price days to help families, and also whether access to the café, without having to enter the farm, could be made available. The Officer confirmed that free entry to the farm had been previously been provided to looked after children and through the Holiday Action Fund initiatives.

Responding to a query regarding hosting events in different parts of Middlesbrough, the Officer explained that the events programme was fairly fixed and particular areas were generally chosen based on what the companies hosting the events wanted. It was unusual for the Council to deliver events itself but there was funding available of up to £20K for events for external providers.

The Chair thanked the Officer for attending the meeting.

Councillor Arundale provided an update regarding the Flood Prevention Scheme at Sandy Flatts and the recent tree planting carried out by the Environment Agency in that area. Councillor Arundale commented that it was a good area to plant trees and help fulfil the Council's commitment to green up the town. The Council would also be considering other areas in this location to plant a micro forest.

AGREED that the information provided was received and noted.

21/58 **DATE OF NEXT MEETING - 9 MARCH 2022**

The next meeting of the Economic Development, Environment and Infrastructure Scrutiny Panel would take place at 10.30 am on Wednesday 9 March 2022.

21/59 **OVERVIEW AND SCRUTINY BOARD UPDATE**

The Chair provided a verbal update on the Overview and Scrutiny Board meeting held on 18 January 2022.

21/60 **ANY OTHER URGENT ITEMS WHICH IN THE OPINION OF THE CHAIR, MAY BE CONSIDERED**

A Panel member raised a query in relation to broadband services in Middlesbrough. The Chair confirmed that this topic was listed on the Panel's current Work Programme and would be addressed at a future meeting.

