

**Cabinet
(Extraordinary Meeting)**

17 September 2019

Present: Mrs N Redfearn (Elected Mayor) (in the Chair)
Councillors C Burdis, S Cox, P Earley, R Glindon,
C Johnson and B Pickard

In Attendance: R Layton (North Tyneside Joint Trade Union Committee)

CAB53/09/19 Apologies

Apologies were received from Councillors G Bell, S Day and M Hall and from D McNally (Age UK) and R Fry (Community and Voluntary Sector).

CAB54/09/19 Declarations of Interest and Dispensations

There were no declarations of interest or dispensations reported.

CAB55/09/19 Delivering Killingworth Moor Key Strategic Site (Killingworth Ward)

Cabinet received a report seeking approval to accept £10 million of grant funding from Homes England which would enable the Authority to construct a significant portion of the site's infrastructure works and support housing development at the Killingworth Moor site.

The Authority's Local Plan provide for the delivery of an additional 16,500 new homes across the Borough up to 2032. The Killingworth Moor site was included as a key strategic site with an allocation for 2,000 homes.

In Summer 2017, Homes England and the Ministry of Housing, Communities and Local Government (MHCLG) had launched the Housing Infrastructure Fund (HIF) to offer Local Authorities and Combined Authorities the opportunity to secure funding to deliver infrastructure on large scale housing developments to assist in realisation of housing.

The Authority had worked with representatives from Homes England, MHCLG and the landowners/developers to develop and submit a bid to Homes England for £10 million of HIF. This had been submitted in September 2017, and following an extensive assessment period, in Spring 2019, Homes England had confirmed an allocation for the Authority of £10 million. This would require the Authority to enter into a Grant Funding Agreement with Homes England and Licence(s) for Works with the relevant landowners/developers to enable construction of the HIF Funded Infrastructure.

It was proposed that the funding would deliver a significant proportion of the site's key link road which was identified in the masterplan and would unlock the site for housing development.

In line with state aid advice, the Authority would be in control of delivery of the road and would manage spend. This involved appointment of consultants to undertake detailed design

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works; submission of a planning application seeking approval for development of the HIF funded works; and appointment and management of contractors appointed to construct the necessary works on site.

This would be undertaken in line with agreed governance arrangements with the Local Plan Steering Group and relevant developers/landowners.

The Authority had a Risk Register for the delivery of the HIF Funded Infrastructure, which detailed the following:

- State Aid – detailed legal advice had been sought in relation to this project.
- Non-compliance with the Grant Funding Agreement.
- Overspend – this was mitigated through appropriate risk and contingency planning being applied to the infrastructure costs and ensuring that the definition of the ‘Project’ in the Grant Funding Agreement was such as to ensure it was deliverable.
- Delays to Spend – the Project would be governed in line with the agreed Delivery Plan between the Authority and Homes England. Progress reporting would enable early identification of issues which may cause delay and allow mitigation to ensure the Project remained on time and on budget.

Cabinet considered the following options: to approve the recommendations set out in paragraph 1.2 of the report to accept the grant offer of £10 million from Homes England and enter into the Grant Funding Agreement and necessary Licence(s) for Works with relevant landowners/developers to enable the Authority to construct the HIF funded Infrastructure works, or alternatively, to not approve the offer of grant funding from Homes England and therefore not deliver the HIF Funded Infrastructure works at the Killingworth site.

Resolved that (1) the Head of Resources be authorised to accept the offer of £10 million Housing Infrastructure Fund (HIF) from Homes England; and (2) the Head of Regeneration and Economic Development and the Head of Environment, Housing, and Leisure be authorised, in consultation with the Head of Resources, Head of Law and Governance and Deputy Mayor, to:

- a) enter into the Grant Funding Agreement with Homes England to accept grant funding of £10 million;
- b) enter into the necessary ‘Licences for Works’ with relevant landowners/developers to enable the Authority to construct the HIF funded infrastructure works; and
- c) carry out a procurement exercise to appoint a contractor for the construction of the HIF funded infrastructure works.

(Reasons for decision - The outcome requirement of the Local Plan is the delivery of 16,500 new homes up to 2032. By securing the HIF and working with the landowners/developers the Authority will facilitate the delivery of 2,000 new homes on the Killingworth Moor site, the second largest single allocation in the Local Plan.)

CAB56/09/19 Consulting on a revised option to improve air quality in Newcastle, North Tyneside and Gateshead (All Wards)

Cabinet had previously agreed the Authority's approach in responding to government's legal direction to improve air quality in the shortest possible time. Consultation feedback on different options earlier this year along with refined technical information had enabled Newcastle, Gateshead and North Tyneside councils to develop a revised proposal which, it was felt, more closely met their wider ambitions while also responding to the specific requirements of the legal order.

Cabinet received a report which sought approval to consult on a new option for measures to improve air quality while outlining measures to mitigate the impact on businesses affected by a charging clean air zone. The revised options that had been developed by the three local authorities to meet the legal requirement to achieve compliance on local roads in the shortest possible time were as follows:

- A smaller Clean Air Zone D covering Newcastle city centre only;
- A Low Emission Zone combined with tolls on city centre bridges, as set out in the original consultation; and
- A Clean Air Zone C charging older HGVs, buses, vans, taxis and private hire vehicles in Newcastle city centre only, combined with access restrictions to and from the Central Motorway between New Bridge Street and the Swan House roundabout and lane restrictions on the Tyne Bridge with the aim that this would be linked to a major maintenance scheme on the Tyne Bridge. In this option there would be no charges on private cars.

As more than one package of measures now appeared to achieve compliance in 2021, the ability of the three authorities to select the option most consistent with their ambitions on fairness, public health improvement and minimising economic impact had been improved. In the short term this was considered to be the newly defined option, which was:

- a smaller charging Clean Air Zone covering only Newcastle City Centre affecting non-compliant buses, coaches, taxis (Hackney Carriages and private hire vehicles), heavy goods vehicles and vans from 2021;
- changes to the road layout on the Central Motorway, that would prevent traffic from merging on and off the slip lane between the New Bridge Street and Swan House junctions;
- lane restrictions on the Tyne Bridge and Central Motorway. These restrictions would be put in place to support air quality work but the authorities were asking government for £40m funding to ensure essential maintenance works took place at the same time, minimising disruption by aligning these much needed roadworks to update the ageing bridge with the need to implement lane restrictions for air quality; and
- changes to the local road network in Newcastle and Gateshead to reflect the Tyne Bridge restrictions and ensure public transport could run reliably.

This package was considered to have a smaller economic and traffic rerouting impact. It also enabled the authorities to target mitigation on a smaller group of users which made a package of mitigation measures more deliverable given the tight timescales to which the authorities were working.

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Both Gateshead Council and Newcastle City Council were being asked to approve recommendations as set out the report.

It was proposed that the three authorities would consult affected stakeholders and residents over a period of six weeks, before bringing the outcome of consultation and a final business case for the preferred option to each authority for approval.

The delivery of the measures required would be undertaken throughout 2020: they were anticipated to be in place by January 2021, in order for the scheme to become active.

Effective delivery of the preferred option was dependent on Government action on a number of key issues, including:

- i. providing the necessary resources for implementation and mitigation in a timely fashion;
- ii. confirmation of available funding in order to allow local authorities to procure both required new systems and relevant mitigation;
- iii. provision of a national taxi and private hire database; and
- iv. provision of central systems to allow payment and processing, in order that local authorities could deliver their own Clean Air Zones.

Cabinet considered the following options: to approve the recommendations set out in paragraph 1.2 of the report, or alternatively not to approve those recommendations.

Resolved that (1) affected stakeholders and the public be consulted for six weeks on a Clean Air Zone Class C and associated traffic management measures in order to deliver compliance with legal limits for NO₂ in the Authority's administrative area in the shortest possible time;

(2) affected stakeholders and the public be consulted on possible mitigation measures to minimise the impact of the aforementioned Clean Air Zone and traffic management schemes;

(3) the Chief Executive be authorised, in consultation with the Cabinet Member for Environment and Transport, to approve the final form of the appropriate consultation materials; and

(4) the outcomes of consultation, together with a Final Business Case for the preferred option, be submitted to a future meeting of Cabinet for final approval.

(Reasons for decision – this will permit progress towards satisfying the legal direction issued by the Government requiring local authorities to create plans to address air quality issues on specific road links.)

CAB57/09/19 Date and Time of Next Meeting

Monday 14 October 2019 at 6.00pm (Ordinary meeting)

Minutes published on Thursday 19 September 2019.

Unless called in by 3 Non-Executive Members for consideration by the Overview, Scrutiny and Policy Development Committee, the decisions contained within these Minutes may be implemented immediately following the expiry of the call-in period; i.e. 5.00pm on Thursday 26 September 2019.