

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
CABINET

Date 20TH MARCH 2019

HEADING Air Quality Ministerial Direction – Strategic Outline Case

Submitted by: Head of Environmental Health

Portfolio: Operational

Wards Affected: All

Purpose of the Report

To seek Cabinets support, to update and advise of the development of a Strategic Outline Case (SOC) which details a shortlist of measures which will be considered as part of the Air Quality Local Plan Development works required by DEFRA in respect of Air Quality works on the A53 (Basford Bank area).

Recommendations

That Cabinet note the content of the Strategic Outline Case and approved the proposed shortlist of measures to be further evaluated as part of the Air Quality Local Plan Development works required by DEFRA.

Reasons

Cabinet received a report in February which detailed that DEFRA had served two further ministerial directions on the Borough Council under the provisions of the Environment Act 1995 to undertake an Air Quality Local Plan Development with Stoke-on-Trent City Council (SOTCC) to assess and determine further actions with regard to reducing nitrogen dioxide levels in the earliest possible time and to implement a bus engine retrofit scheme to busses travelling on the A53.

This report is to update on progress and to detail the proposed shortlist of measures which will be considered as part of the Air Quality Local Plan Development works.

1. Background

- 1.1 In July 2017, Government produced a UK plan for Air Quality and required 28 Local Authorities (dubbed the first and second wave LAs) with the most severe exceedances for nitrogen dioxide (NO₂) pollutants to develop local plans to bring forward compliance with limit values. The benchmark to assess whether local plans would achieve this objective was compliance before 2021, since national modelling predicted that a charging Clean Air Zone in these areas would produce compliance in that timeframe.
- 1.2 In March 2018, thirty three 'third wave authorities', Newcastle-under-Lyme and Stoke amongst them, also became subject to Government requirements as a result of a legal challenge that not enough was being done to achieve UK compliance with air quality objectives 'in the shortest time possible'.

- 1.3 In October 2018, Ministers Coffey and Norman for the Department for Environment, Food and Rural Affairs (DEFRA) and Department for Transport (DfT) respectively, served the ministerial direction on the Council; this was served under the provisions of The Environment Act 1995 (Feasibility study for nitrogen dioxide compliance) (No 2). This work is being co-ordinated by the Joint Air Quality Unit (JAQU) which is part of DEFRA.
- 1.4 The Ministerial directions formally mandate several local authorities (including Newcastle-under-Lyme Borough Council) to undertake further work with the main objective being to explore options for reducing levels of nitrogen dioxide in the air.
- 1.5 The direction requires:
- NULBC and SOTCC to jointly further investigate EU exceedances of nitrogen dioxide (NO₂) on roads within the Borough and identify measures that could bring forward compliance with NO₂ limits as soon as possible **or** review the implementation of a chargeable clean air zone.

2. Local Air Quality Development Plan

- 2.1 The Ministerial Direction obligates the Council to undertake a joint appraisal and feasibility study with SOTCC to propose options for reducing pollution or consider the feasibility of a Chargeable Clean Air Zone.
- 2.2 The primary critical success factor is to bring about compliance with NO₂ limits in the shortest possible time.
- 2.3 The starting assumption is that the benchmark option (against which other options will need to be measured) will be a charging CAZ (Clean Air Zone) of a high enough classification to bring about compliance in the shortest possible time. There are 4 classes of CAZ these are summarised below including vehicle type and euro engine classification. Full details are included in Appendix 1:
- **Class A** – Includes busses (Euro VI), coaches (Euro VI), taxis and private hire vehicles (Euro 6 (diesel) Euro 4 (Petrol)). Ultra low emission vehicles will never be charged for entering or moving through a CAZ.
 - **Class B** - Includes class A plus heavy goods vehicles (Euro VI). Ultra low emission vehicles will never be charged for entering or moving through a CAZ.
 - **Class C** –Includes class B plus light goods vehicles including - large vans, minibuses and small van/light commercial (Euro 6 (diesel) Euro 4 (Petrol)). Ultra low emission vehicles will never be charged for entering or moving through a CAZ.
 - **Class D** - Includes class C plus cars (Euro 6 (diesel) Euro 4 (Petrol)) and motorcycles (Euro 3). Ultra low emission vehicles will never be charged for entering or moving through a CAZ.
- 2.4 The scope of the investigation and proposals for action required is to be wider than the initial consideration of the A53, and must address other areas of the City and Borough currently experiencing exceedance of the 40ug/m³ limit for NO₂.
- 2.5 It is currently considered by officers that the scope of the study area proposed at this time is the whole of the City and most of the urban area of the Borough, since that matches the area encompassed by the North Staffordshire Multi Modal Transport model used by

transport officers at the City and County Council. As the study develops the area may be refined inwards to reflect study findings.

2.6 The scope of the project moving forwards involves three key elements:

- **Strategic Outline Case (SOC)** – presents the case for change and outlines the strategy to prepare a business case for bringing forward compliance with the annual mean objective for NO₂. This provides a qualitative assessment of a longlist of measures, in order to identify a shortlist of potential measures to take forward.
- **Outline Business Case (OBC)** – which provides further detail on the emissions and economic impacts of the shortlisted measures, in order to identify the preferred option. Once identified, the OBC will set out the implementation and procurement route for the preferred option and demonstrate the affordability of the scheme.
- **Full Business Case (FBC)** – which sets out the implementation and procurement route in detail, and how it will be managed and the benefits realised, and if applicable, undertaking a local consultation process.

2.7 To complete the actions required by the Direction, a Final Business Case of the preferred action or actions from the assessment of shortlisted options must be jointly agreed and signed off by each Council's Cabinet. An Outline and/or Final Business case must be submitted by 31st October 2019.

3. **Strategic Outline Case (SOC):**

3.1 The SOC, details a long list of options which have been considered and evaluated against critical success factors as to how these could bring about compliance in the shortest possible time.

3.2 After undertaking the qualitative assessment of the longlist of measures, a shortlist of preferred options have been identified to take forward to the next stages of the business case process.

3.3 The shortlist of measures to take forward to the outline business case will include the following packages of options:

- **A city centre / A53 traffic management scheme, plus Council boundary scale Low Emission Strategy;**
 - This would include changes and updates to traffic management systems, and may include a range of options such as traffic light signalling and junction optimisation.
 - A low emission strategy would include behavioural change measures to try to influence and change individuals mode of transport and would include measures such as awareness raising, cycle promotion, promotion of public transport, promotion of walking etc. In addition this could include measure to promote and facilitate the use of ultra-low emission vehicles.
- **Etruria Valley Link Road and A500 Improvements, plus Council boundary scale Low Emission Strategy.**
 - The construction of the Etruria Valley Link Road has modelled air quality impacts as part of the planning application (which is awaiting determination by

Newcastle and Stoke Councils). The modelling shows an improvement in air pollution levels from vehicles travelling between Newcastle-under-Lyme and Stoke-on-Trent. This scheme can be considered alongside the planned widening scheme being undertaken by Highways England on the A500. This option would be combined with a low emission strategy as detailed above.

- **A city centre / A53 Workplace Parking Levy, plus Council boundary scale Low Emission Strategy;**
 - A workplace parking levy is a charge on employers who provide workplace parking within a designated area. This is a type of congestion charging scheme that has been introduced in Nottingham to address air quality issues. Such schemes are aimed at acting as an incentive for employers to manage their workplace parking provision. Employers, rather than employees, are responsible for paying any workplace parking levy charge, although employers can choose to reclaim part or all of the cost from their employees.
- **A Council boundary scale Workplace Parking Levy, plus Council boundary scale Low Emissions Strategy;**
 - A combination of the measures detailed above applying to the whole of both Council areas.
- **A city centre / A53 chargeable access restriction (Clean air zone) (Class A / B / C or D);**
 - A designated chargeable zone for certain types and ages/engine types of vehicles entering the area. The charge is determined by the Local Authority to be at a level to influence change. The CAZ would only apply to older, higher polluting models of the vehicle types detailed for the class of CAZ, to have a targeted impact on pollution. This is the baseline option specified that has to be considered as part of the Air Quality Local Development Plan.

3.4 A further ministerial direction in respect of bus retrofitting requires the Local Authority to implement the retrofitting works to upgrade the busses that operate on the A53 from euro 3 engines so they operate at euro 6 standards. This work is to be completed as soon as possible and by the end of 2019 at the latest, in order to bring forward compliance in NO₂ levels to 2021 to 2025. This equates to 25 busses operated by First PMT, on bus routes 3, 4 and 4a that travel on the A53. Work is continuing with the bus company to identify suitable busses to undertake the retrofitting works.

4. Recommendation

4.1 That Cabinet note the content of the Strategic Outline Case and approved the proposed shortlist of measures, as detailed in section 3.3, to be further evaluated as part of the Air Quality Local Plan Development works required by DEFRA

5. Outcomes Linked to Sustainable Community Strategy and Corporate Priorities

5.1 This work links to the following corporate priorities:

- Local Services that Work for Local People – There is a need to ensure that the transport systems are maintained and work for local people.

- Healthy, Active and Safe Borough – Air quality impacts are significant, they account for reduced life expectancy and adverse impacts on health and the economy, therefore improving air quality for our residents will not only help save lives but will also improve life expectancy.
- A Town Centre for All – The town centres are within designated air quality management areas, this work will assist in delivering wider improvements in air quality across the town centre.

6. Legal and Statutory Implications

- 6.1 Environment Act 1995 (Feasibility Study for Nitrogen Dioxide Compliance) (No.2) Air Quality Direction 2018. This requires the authority to undertake a feasibility study in accordance with HM Treasury's Green Book approach, to identify the option(s) which will deliver compliance with legal limits for nitrogen dioxide in the shortest time possible.
- 6.2 Failure to comply with the Direction may result in Judicial Review proceedings being brought against the Council. Any such proceedings may result in adverse costs awards being made against the Council.

7. Equality Impact Assessment

- 7.1 The development of the outline business plan includes a requirement to produce an assessment of the strategic case, economic case, commercial case, financial case and management case; therefore all aspects will be reviewed as part of the proposed work.

8. Financial and Resource Implications

- 8.1 DEFRA has confirmed a commitment to cover the costs of the further study via grant. So far a grant commitment of £500,000 has been provided for the completion of the Air Quality Local Development Plan.
- 8.2 As Government propose to provide funding support for the preferred options for action, the final preferred policy report to be submitted to comply with the Direction is required to follow HM Treasury's 'Green Book' process of preparing and evidencing a series of analytical, strategic and economic business cases.
- 8.3 It is considered that the delivery (including project co-ordination and management) of these two projects cannot be met from existing resources, the reasons being twofold; firstly that the technical nature and extent of the work required cannot be delivered in house (air quality and traffic modelling) and will require consultants support and secondly, this is work that had not been planned for and will require significant resource in the planning, project management, reporting and consultant support, which cannot be met from existing staff resources.
- 8.4 The Final (or Outline) Business case submitted by 31st October 2019 will include a preferred option for action which will be subject to assessment by Government to determine whether they will be required, and what funding will be provided to the authority to carry them out.
- 8.5 Officers have reviewed various procurement options and identified a preferred option that allows a direct award without a call for competition as part of a compliant framework (Crown Commercial Services). Officers have undertaken an engagement process with

Crown Commercial Services and they are in agreement with the approach being adopted by the Borough Council. That Borough Council will procure the works on behalf of Newcastle-under-Lyme Borough Council and Stoke-on-Trent City Council.

9. Major Risks

- 9.1 A full risk assessment has been undertaken for both these projects and is available to view on the Council's "Grace" system.
- 9.2 The SOC also details the risks related to this project.

10. Sustainability and Climate Change Implications

- 10.1 Air pollution and climate change are intrinsically linked; therefore work to improve air quality will also support climate change improvements.

11. Key Decision Information

- 11.1 This item is a key decision as it affects all wards; this has been included on the forward plan.

12. Earlier Cabinet/Committee Resolutions

- 12.1 Cabinet report February 2019 -

13. List of Appendices

- 13.1 Appendix 1 - Clean air zone classifications

14. Background Papers

[UK Air Quality Plan](#)

[Newcastle under Lyme and Stoke on Trent Targeted Feasibility Study](#)

Clean Air Zone Framework, DEFRA & DFT – May 2017

Second Ministerial Direction 4 October 2018

Third wave local authorities - guidance 16 October 2018

Funding support for third wave authorities 31 October 2018

Strategic Outline Case – January 2019