

TITLE OF REPORT: Consultation on a Revised Option to Improve Air Quality in Gateshead, Newcastle and North Tyneside

REPORT OF: Sheena Ramsey, Chief Executive
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Communities and Environment

Purpose of the Report

1. To approve consultation on a revised proposal for improving air quality in Gateshead, Newcastle and North Tyneside.

Background

2. Cabinet has previously agreed that our approach in responding to the government's legal direction to improve air quality in the shortest possible time should also look more broadly than the government's narrow focus. Consultation feedback on different options earlier this year along with refined technical information has enabled Newcastle, Gateshead and North Tyneside councils to develop a revised proposal. It is felt that this package more closely meets these wider ambitions while also responding to the specific requirements of the legal order.
3. This report seeks approval to reconsult on a final proposed package of measures to improve air quality while outlining measures to mitigate the impact on businesses affected by a charging clean air zone. This zone would not initially include private vehicles. Contingent on government funding, our proposals also seek to ensure we incorporate major roadworks such as the maintenance of the Tyne Bridge into our plans. This would help to deliver required improvements and minimise the impact on the economy. Further proposals to government for funding will support the delivery of a reliable sustainable and active travel network in our area, ensuring more viable alternative travel options.

Proposal

4. There are four categories of Charging Clean Air Zones (CAZ), A to D, covering different types of vehicle. For the purposes of this report the following categories are relevant:
 - CAZ 'C' – charging older HGVs, buses, vans, taxis and private hire vehicles.
 - CAZ 'D' – as for CAZ C, but additionally including charging for older private cars.
5. Following the previous consultation, which attracted over 20,000 responses, further work has been undertaken. This has refined the technical basis for assessment and revised options to achieve the necessary compliance by 2021. These include:

- A smaller CAZ D covering Newcastle city centre only [see map at Appendix 2];
 - A Low Emission Zone combined with tolls on city centre bridges, as set out in the original consultation; and
 - A CAZ C charging older HGVs, buses, vans, taxis and private hire vehicles in Newcastle city centre only (see Appendix 2), combined with access restrictions to and from the Central Motorway between New Bridge Street and the Swan House roundabout and lane and highway capacity restrictions linked to a major maintenance scheme on the Tyne Bridge. In this option there would be no charges on private cars.
6. All the above are predicted to achieve compliance in 2021, so the aim is to select the option most consistent with the three authorities' ambitions on fairness, public health improvement and minimising economic impact. In the short-term this is a CAZ C with supporting measures which, although having major impacts on traffic using the Tyne Bridge, overall is predicted to have a smaller economic and displacement impact. It also enables us to target mitigation on a smaller group of users which makes a package of mitigations more deliverable given the tight timescales to which we are working.
7. For the longer-term, achieving continuous improvement in public health in the city will require further action including restrictions on the most polluting private vehicles. As a result, while the authorities are proposing not to charge private vehicles in the first year of a proposed charging scheme, they will continue to keep all potential measures under consideration. The authorities will consider extending or upgrading any CAZ to incorporate private vehicles if compliance is not achieved or in response to other environmental concerns. The position is that investment in alternatives should pre-empt such a charge on private vehicles and once this further investment in transport improvements has been delivered, the authorities will review the most appropriate solution to deliver on all objectives for the authorities.

Recommendations

8. Cabinet are requested to:
- (i) agree to consult affected stakeholders and the public for six weeks on a Clean Air Zone Class C and associated traffic management measures;
 - (ii) agree to consult affected stakeholders and the public on possible mitigation measures to minimise the impact of the aforementioned Clean Air Zone and traffic management schemes;
 - (iii) delegate the approval of the final form of the appropriate consultation materials to the Chief Executive in consultation with the lead Cabinet Member; and
 - (iv) agree that outcomes of consultation, together with a Final Business Case for a single option, be brought back to Cabinet for final approval.

For the following reason:

- To improve air quality in Gateshead, Newcastle and North Tyneside.

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Policy Context

1. The proposals in this report are consistent with the Council priorities and the overall strategic approach for Gateshead as set out in “Making Gateshead a Place Where Everyone Thrives” and its policy objectives. In particular ‘Put people and families at the heart of everything we do’ and ‘Work together and fight for a better future for Gateshead’. They also support the Core Strategy and Urban Core Plan, and the aims and objectives of the Tyne and Wear Local Transport Plan 3.
2. Outdoor air pollution is a major risk to human health. Based on national estimates, poor air quality is considered to be responsible for around 360 deaths each year across Newcastle, Gateshead and North Tyneside and around 40,000 across the UK. Related causes of death include circulatory disease, respiratory disease and cancer. The main cause of roadside nitrogen dioxide is road transport, which also has wider impacts on public health and is a significant contributor to carbon emissions and climate change.

Background

3. Newcastle, North Tyneside and Gateshead councils are working together to develop this plan to improve air quality across our area. This follows a government-issued legal direction requiring all three authorities to produce a Feasibility Study to identify the option that will deliver compliance with legal limits for Nitrogen Dioxide (NO₂) in the area for which the authority is responsible, in the shortest possible time. In September 2017, Cabinet approved the preparation of an Initial Feasibility Study relating to NO₂ emissions in line with the legal direction and in February 2019 agreed the submission of an Outline Business Case and the beginning of a consultation on potential options.
4. Since the last cabinet paper on this topic in February 2019, we have undertaken this consultation with the public on possible options. We have also continued to refine our understanding of the air quality challenge facing our authorities and our options to address these. In addition, a revised legal direction was received from government on 3rd July 2019. This confirmed that updated modelling of options should be submitted to Defra in August, ahead of final proposals being agreed in November for implementation from 2021. This report outlines the outcomes of the latest modelling of refined options and seeks cabinet approval to consult with stakeholders and the public on a package of measures incorporating ways to mitigate the impact on businesses and individuals of a refocused charging option.
5. While it is not specifically required by government, cabinets of all three authorities have been clear that success should also be measured by whether or not we achieve sustainable changes in air quality and in travel behaviour for the long term. Our aim is therefore to ensure that solutions are fair, support the economy and improve public health, rather than following a direction to focus solely on specific stretches of road for one pollutant. Our plan aligns directly with proposals for significant public and active travel improvements

that we have submitted to government alongside other authorities in the North East.

6. Our plans to transform our transport network are contingent on government's support and commitment of funding. Moving forward with a plan that delivers a coherent and safe walking and cycling network enabling more people to choose to cycle to education or employment opportunities. Through the delivery of improved traffic signals and the prioritisation of buses at key points we want to deliver a visible improvement in bus reliability. This in turn would enable us to work with bus operators to ensure that improved reliability from our roads leads to improvements in fares and the quality of our public transport offer. Our plan also recognises that the taxi and private hire offer in the area needs to be updated. We understand the impact on individuals who use their vehicles as part of their work which is why a further key part of this plan is to provide grants to such individuals, or businesses, to help them upgrade their vehicles if they would be impacted by a charge.

There are four categories of Charging Clean Air Zones (CAZ), A to D, covering different types of vehicle. For the purposes of this report the following categories are relevant:

- CAZ 'C' – charging older HGVs, buses, vans, taxis and private hire vehicles.
- CAZ 'D' – as for CAZ C, but additionally including charging for older private cars.

Air quality work to date

7. Successive national governments have failed to tackle air pollution in the UK effectively, leading to a series of legal actions against the Government. One of these, in May 2017, led to the Department for Environment, Food and Rural Affairs (Defra) issuing legal Directions to a number of local authority areas across the country requiring them to improve air quality on specific stretches of road "In the shortest possible time". Newcastle, Gateshead and North Tyneside local authorities received Directions requiring us to improve air quality, with a particular focus on roads which had been modelled by government (using a national air quality model) not to be in compliance. These were parts of the Central Motorway and its approaches to the Tyne Bridge, and areas on the Coast Road. Government guidance required authorities to look for solutions that would deliver compliance as quickly as putting in place charges for polluting vehicles (a charging Clean Air Zone).
8. Since receiving the Direction the authorities have made significant progress in developing options. We have also worked together and with other cities across the country to highlight the challenge of progressing this work within constrained timescales, and have consistently highlighted concerns that Defra's narrow approach to NO₂ (and only on specific road links) could exacerbate rather than resolve public health issues.
9. In February 2019 Cabinets approved two principal options for consultation with the public (referred to throughout the remainder of this report as "the original options"). These were:
 - A Clean Air Zone in which vehicles of all types that did not meet minimum emissions standards would be charged to enter the zone (a CAZ D). The proposed area covered all the routes identified by

Government as having high levels of air pollution, and other areas where air quality was known to be an issue; and

- A Low Emission Zone forbidding more polluting buses, Heavy Goods Vehicles (HGVs) and taxis/private hire vehicles from entering Newcastle city centre, combined with tolls for all vehicles crossing the Tyne, Swing and Redheugh bridges.

10. Consultation took place over 11 weeks between 6 March and 19 May 2019. This was supported by social media alerts, emails to consultation panels in the three authorities, a range of media coverage, information made available in customer contact points and libraries, easy read versions of the consultation issued in appropriate locations, over 50 dedicated engagement sessions, face to face meetings with stakeholders and community groups, and letters to every taxi or private hire driver licensed to operate in the three authorities.
11. The consultation attracted over 20,000 responses from individuals, businesses, community groups and voluntary organisations – more than similar consultations in other cities across the country. Over three quarters of respondents were from the three authorities' areas, with the remainder largely from the rest of the North East. The respondents were consistent with the commuting patterns for the major employment sites in the three local authority areas, and unsurprisingly were strongly skewed towards car owners. Demographic analysis shows that older and higher income groups were more likely to respond to the consultation, and the proportion of respondents reporting a long-term health problem or disability was representative of the local population as a whole. As such, Cabinets will want to consider analysis of impacts on younger and lower income groups less likely to give their views through the consultation process alongside the consultation responses.
12. An independent analysis of consultation responses was carried out and has been available online since July 2019 on each of the local authorities' websites and on the central consultation website <https://www.breathe-cleanair.com/>. This release of the independent report was publicised in local media and some key messages emerging were:
 - Widespread recognition of the public health impacts of air pollution and the importance of addressing the problem, with 75% aware of the issue and only 19% disagreeing that it was an issue that should be addressed;
 - The majority of respondents opposed both a CAZ D (52%) and LEZ (48%) + tolls (62%) proposals, citing the personal financial impact and concerns on the economic impact on businesses in the city;
 - Concerns were expressed on the poor quality of public transport alternatives, the challenge for many businesses and families of purchasing a new vehicle which would be exempt from charges, and the large size of the CAZ area. Residents also expressed concerns on displacement of traffic into other areas; and
 - The majority of respondents supported the range of potential mitigation measures proposed, such as grants/loans and investment in alternative forms of transport.

Latest developments

13. The consultation sent a clear message that residents and representative groups wanted to take action but most were concerned at the potential impacts of an immediate move to charge all vehicle types over a wide geographic area. In addition, analysis in the Outline Business Case published alongside the consultation demonstrated that the CAZ D over the wide geographic area proposed, risked significant negative impacts, with the large amounts of displaced traffic leading to increased greenhouse gas emissions and, in early years, a negative health impact outside the zone as a result.
14. Since the consultation the councils have been refining possible options to take account of these issues. Officers were also concerned that the original modelling, which was based on projections of national fleet mix data provided by Defra, over-estimated the proportion of diesel vehicles on the roads in future years. Purchases of diesel vehicles have been falling, in part due to concerns on their air pollution impact. Following representations to them, Defra have now agreed that options can be remodelled with different scenarios for the future vehicle fleet. This makes a significant difference to the way different options perform.
15. The councils also considered how options could be refined to take account of feedback from the consultation. This process identified three revised options, all of which can now be seen to meet the legal requirement to achieve compliance on local roads in the shortest possible time:
 - A smaller CAZ D covering Newcastle city centre only [see map at Appendix 2];
 - A Low Emission Zone combined with tolls on city centre bridges, as set out in the original consultation; and
 - A CAZ C charging older HGVs, buses, vans, taxis and private hire vehicles in Newcastle city centre only (see Appendix 2), 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.
16. These options were made public by the authorities in early August and detailed modelling of the impacts of introducing these options was submitted to Government on 8th August and is available at www.breathe-cleanair.com.

Selecting a package of measures to deliver improved air quality

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

- 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 will 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 will be put in place to support air quality work but the councils are asking government for £40m funding to ensure essential maintenance works take 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 can run reliably.
18. This package is considered to have a smaller economic and traffic rerouting impact. It also enables us to target mitigation on a smaller group of users which makes a package of mitigations more deliverable given the tight timescales to which we are working.
19. For the longer-term, achieving continuous improvement in public health in the city will require further action including restrictions on the most polluting private vehicles. In the consultation, residents were clear that they recognised the need for action, but wanted better alternative transport choices and support in upgrading vehicles before charging for private vehicles was introduced. Over the next few years significant improvements in transport across Tyneside are expected, including:
- New Metro fleet carriages to be introduced by 2023;
 - Substantial improvements to public transport, walking and cycling as part of the Transforming Cities Fund by the end of 2023; and
 - An additional lane on the Western Bypass north of the Tyne in 2023.
20. While, by means of this report, the authorities are intending not to charge private vehicles in the first year of a proposed charging scheme, the authorities will continue to keep all potential measures under consideration. The authorities will consider extending or upgrading any CAZ to incorporate private vehicles if compliance is not achieved or in response to other environmental concerns. The position is that investment in alternatives should pre-empt such a charge on private vehicles and once this further investment in transport improvements has been delivered, the authorities will review the most appropriate solution to deliver on all objectives for the authorities.

Supporting residents and business to adapt to these changes

21. The consultation showed strong support for measures to support residents and businesses to adapt to the introduction of charges. Officers have refined potential packages of support to reflect the proposed option. The consultation sets out key mitigation proposals, which would be subject to government funding, including:
- Grants of up to £2,000 for private hire & taxi drivers, and for light goods vehicle drivers with non-compliant vehicles;

- Grants of up to £16,000 for Bus and Coach and Heavy Goods Vehicle operators with non-compliant vehicles;
- Delivering freight consolidation opportunities for light goods vehicles outside the charging zone;
- Some exemptions to certain types of vehicles;
- A behavioural change campaign to assist people in making the switch to cleaner modes of transport; and
- Investment in additional public transport priority to accompany the Transforming Cities Fund and ensure that public transport and active travel modes are attractive and viable.

What impact will this proposal have?

22. All three of the revised options achieve compliance with legal limits on air quality in 2021 on local roads.
23. Taking account of feedback received during the next round of consultation, a full Integrated Impact Assessment on the final option will be published alongside the request for a final decision on the option to be implemented. This will be taken after the consultation. Key impacts of the three revised options, in comparison with the original options, are outlined below.

Public health

24. Public health impacts of the options depend critically on the balance between improvement in areas where traffic is reduced and risk of higher pollutant levels in areas to which any traffic is displaced. The original CAZ D option raised concerns in this area. The large size of the CAZ D resulted in such extensive displacement that in early years modelling suggested that there could be a net detriment to public health and overall emissions, although by year 5 of the scheme there was a clear net improvement. Levels of inappropriate rerouting would also have directed traffic through residential areas and increased risks around road safety. However, this negative public health impact in the short-term was a key driver in seeking a smaller CAZ D.
25. Modelling shows that all three revised options improve air quality and hence public health within the central zone by roughly the same amount in early years. Displacement of traffic is much lower, giving a clear overall public health benefit to the area from the outset. In early years, options which achieve the least displacement are most likely to have positive public health impacts as they achieve improvement in air quality within the city centre with minimal displacement to other areas. Over time, options which charge cars become more favourable for public health, as the charges drive fleet improvement and increased use of alternatives to the car.

Fairness

26. Fairness impacts of the original options were a key concern, particularly for the CAZ D. There was concern at the impact on low income travellers, and those for whom public transport alternatives might not be available, such as residents with health needs or shift workers working overnight. Feedback was clear that early introduction of car charges was particularly challenging for lower income individuals as it gives little time to invest in an alternative

vehicle, and as there was not confidence in availability or suitability of public transport and active travel alternatives. While these comments and impacts do not take account of any support or mitigation measures which could be introduced, the level of required mitigation would be challenging in the timescales involved.

27. The options which have been revised have the following likely impact on fairness:
- CAZ C with additional measures - there are potential fairness impacts from potential charges to bus, taxi and private hire vehicles, including potential changes to bus services and reduced commercial viability of some services. These will be mitigated through the provision of financial mitigation set out above – subject to government funding. Any spatial equity issues through traffic management changes will be addressed through targeted packages at those locations including additional bus priority measures and junction changes at key locations.
 - CAZ D – In addition to the above, there is a risk of the greatest impacts from charges to vehicles being borne by those on lower incomes, both in terms of paying charges and the rerouting of vehicles through lower income areas. While these could to some extent be mitigated by mobility credits or grants, there would remain significant challenges.

Economic

28. Defra require that economic impacts of the proposed measures include the cost or benefit of changes in greenhouse gas emissions, the cost of inconvenience to residents and businesses of changing travel patterns due to charging, and the economic benefits of improved air quality. This assessment does not take account of the economic impact on businesses of any change in attractiveness of Tyneside or the city centre as a place to do business. An independent economic assessment undertaken for the authorities suggests that a CAZ C would have the lowest economic impact on businesses and the LEZ and toll option the highest.

Climate change

29. The CAZ C will likely lead to positive impacts in terms of the Councils' commitment to achieving net zero. This is due to the fact that fewer trips will be made and that vehicles will be upgraded to newer models, which emit lower levels of carbon. In itself, the CAZ C will not lead to a very significant impact on overall carbon emissions, however, when combined with the transport investment set out above, there will potentially be large positive impacts on climate change.

Timetable

30. The three authorities will consult affected stakeholders and residents over the next six weeks, before bringing the outcome of consultation and a final business case for the preferred option to councils for approval.
31. The delivery of the measures required will be undertaken throughout 2020, and are anticipated to be in place in by January 2021, in order for the scheme to become active.

32. Effective delivery of the preferred option is dependent on Government action on a number of key issues, including:
- Providing the necessary resources for implementation and mitigation in a timely fashion;
 - Confirmation of available funding in order to allow Local Authorities to procure both required new systems and relevant mitigation;
 - Provision of a national taxi and private hire database; and
 - Provision of central systems to allow payment and processing, in order that Local Authorities can deliver their own Clean Air Zones.

Consultation

33. Cabinet members have been consulted on the proposals and a members' seminar was held on this issue on 5 September 2019.

The proposal is to carry out a further 6 week consultation on the revised option.

Alternative Options

34. The assessment of different options is summarised in paragraphs 13 to 28 above.

Implications of Recommended Options

35. **Resources:**

a) **Financial Implications** – Defra are required to fund the capital costs of introducing the preferred option through their Implementation Fund and the costs will be outlined as part of the final business case taking into account feedback from the consultation.

Defra may choose to fund mitigation measures necessary to delivery of the preferred option through their Clean Air Fund. The proposed mitigation options set out in this paper comprise a demand of more than £20million on the Clean Air Fund but this will be adjusted to take into account feedback from the consultation.

b) **Human Resources Implications** – There are no human resources implications.

c) **Property Implications** – No property implications have been identified.

36. **Risk Management Implications** – The key risk is to the public health of the people of the area. Poor air quality is having an impact on people's lives and needs to be addressed. We have made a number of improvements in recent years but need to continue to do so through this plan and engaging with people about their travel choices.
37. **Equality and Diversity Implications** – See paragraphs 26 and 27 above.
38. **Crime and Disorder Implications** – None.
39. **Health Implications** – See paragraphs 24 and 25 above.

40. **Sustainability Implications** – See paragraph 29 above.
41. **Human Rights Implications** – none.
42. **Area/Ward Implications** – All wards will be affected.

Background Information

43. Further background information is contained in:
 - Cabinet Report, 26th February 2019, Air Quality Plan for Gateshead, Newcastle and North Tyneside.

Proposed scope of new Clean Air Zone

- The new proposed CAZ enables the movement from the Coast Road onto the Central Motorway (and vice versa) to be made without entering the charging zone.
- The Royal Victoria Infirmary is not part of the new charging zone.

AAW Caz Area

