

Economy and Business Development Scrutiny Committee

15 SEPTEMBER 2015

PRESENT: Councillor P Strachan (Chairman); Councillors A Southam, B Adams, J Cartwright, A Christensen, P Cooper, B Foster, M Hawkett, P Irwin, C Poll and W Whyte

IN ATTENDANCE: Councillors S Bowles and H Mordue

1. MINUTES

That the minutes of the meeting held on 17 June, 2015, be approved as a correct record.

2. INFRASTRUCTURE PRESENTATION FROM BUCKS ADVANTAGE AND BUCKS COUNTY COUNCIL

The Committee received two presentations on strategic infrastructure planning, one from Bucks County Council (Mr Stephen Walford, Director – Growth and Strategy was in attendance) and from the Buckinghamshire Thames Valley Local Enterprise Partnership (Mr Richard Harrington, Chief Executive was in attendance).

The County Council's presentation explained that infrastructure was built over a number of layers from local site specific requirements progressively up through wider levels of consideration at Local/Town/Neighbourhood, Countywide/LEP, Regional/sub-Regional, and finally national requirements.

While it was acknowledged that Members had particular transport concerns, in particular with Aylesbury, it was explained that there were many other parts to infrastructure provision including:-

- Schools, education and skills.
- Waste transfer stations, recycling centres and disposal sites.
- Mineral sites and their availability.
- Drainage, flood amelioration and mitigation.
- Social care facilities / specialist housing / affordable housing.
- Green infrastructure, open space, parks, play areas, planting.
- Digital infrastructure and connectivity.
- Leisure facilities and libraries.
- Public realm and art.
- Doctors, dentists and healthcare

These were just some of the issues that needed to be considered and addressed in creating and shaping places we lived in.

The Committee was informed that there were two aspects to strategic infrastructure funding that needed to be considered alongside each other, namely, needs versus funding.

Infrastructure needs was established through a number of ways including technical, .e.g. known current capacity constraints within existing infrastructure assets and specific or area-based technical assessment of future implications. There were also socio--political issues to be considered such as community betterment and the vision/aspirations for an area. These needs were then quantified through plans such as a Strategic Economic Plan (SEP), Infrastructure Plan, Local Transport Plan, Neighbourhood Plans and Local Plans.

Having plans in place provided the catalyst, and was often a requirement of central Government, for funding for infrastructure to be attained. Funding could come through a couple of routes – Structural/Planned (Community Infrastructure Levy (CIL), Local Growth Fund (LGF)/SEP, LTB and base budgets) or through opportunistic routes such as Section 106/legal agreements, Local Sustainable Transport Funding, the EU or lottery money. It was inevitably the case that there would be financial shortfalls and difficult decisions would have to be taken.

Future infrastructure needs for Buckinghamshire had identified North-South connectivity as a priority for key settlements. As well as this, there were pressures from neighbours on all sides (MK, Luton, Tring, London and possibly Bicester/Oxford). A list was provided of major transport infrastructure needs for coming years, in north south order, but not priority, order, as follows:-

- A421 'Brains Route' Expressway (at feasibility).
- New M40 junction at Bicester.
- East West rail (new Winslow Station)
- HS2.
- Aylesbury East Link Road.
- Princes Risborough Relief Road.
- Possible new M40 junction 3a.
- A404 upgrade at Westhorpe (at feasibility), and Bisham (in RBWM).
- Western Rail Access to Heathrow.
- A355 Link Road in Beaconsfield.
- Crossrail.
- Heathrow Third Runway?

Information was also provided on strategic transport links/roads that might be delivered in the future on the fringes of Aylesbury as part of growth and development.

The Bucks Thames Valley LEP presentation informed Members that the LEP was working to build conditions for sustainable economic growth in the entrepreneurial heart of Britain. The LEP was the County's main voice to Government, and was a public / private sector partnership comprising 5 local authorities, Bucks Business First, Bucks Skills Board and Buckinghamshire Advantage (BA). To date, £150m in inward investment had been obtained which would contribute towards faster broadband and digital infrastructure, better road and rail connections, and help to improve skills delivery. Key achievement included:-

- £53m Local Growth Funding received.
- £40m generated in public and private investment.
- 600 new homes.
- 5,000 new jobs.
- 82,000 m² of employment space.

BA had been tasked with a number of responsibilities including managing Growing Places Funding and LGF Rounds 1 and 2, co-ordinating next generation infrastructure investment and driving new work behaviour. In support of all of this, BA was taking the lead and being proactive in putting together a Bucks Infrastructure Plan. The plan would look to identify and promote infrastructure projects that would boost the Bucks Economy and frame an ask of government on local growth priorities. BA's partnership approach meant that a current and reviewable set of agreed local priorities could be agreed, which also demonstrated that Buckinghamshire was taking a clear and consistent approach and which maximised funding for local priorities. The plan would also support the local authorities to demonstrate they were discharging their "Duty to Comply".

Members were informed that local authority input and approval was fundamental to the plan process, as the outcome required an aligned, proactive and innovative set of propositions, not just a wish list of infrastructure projects. This necessitated looking at issues including national, regional and local road/rail, broadband, utility growth and business interventions. It was anticipated that the Bucks Infrastructure Plan would be finalised by the end of 2015.

Members sought further information and were informed:-

- (i) on some of the major infrastructure work currently being delivered by the County Council, which included the Woodlands project, east/west links, delivering new employment land and investing in broadband (including developing 5G).
- (ii) that it was likely that the road capacity was exacerbating business getting in/out of the Vale.
- (iii) that a new Transport Plan for Aylesbury would be put together once the levels of growth for the next 20-30 years were known.
- (iv) that it was important to businesses with the business sites they wanted and which included also the on-site infrastructure they required.
- (v) that it was difficult to obtain infrastructure funding in the short term as CIL money was not allocated to business development.
- (vi) that the Council's Economic Development team had re-started regular discussions with developers through the Developers' Forum. The ED team was proactive in working with applicants and planning to help progress economic development opportunities.
- (vii) that within 3-5 years the County Council would hope to have a detailed road map of transport infrastructure requirements.
- (viii) that the Bucks Infrastructure Plan, in the absence of an adopted Local Plan, was being used to plug the gap and obtain infrastructure monies from Government, and other inward investment into the area.

Members also commented –

- (a) that improving rural broadband and road links from Aylesbury to Milton Keynes, Wycombe, the M25 and M40 should have a high priority in the Infrastructure Plan.
- (b) that the HEDNAs being developed by areas surrounding Aylesbury seemed to be concentrating more on business growth, with an expectation that Aylesbury Vale would be taking any associated housing growth. However, it was important for Aylesbury Vale that employment jobs were created alongside housing growth. If Aylesbury Vale did take extra housing growth for surrounding areas then providing transport infrastructure would be critical.
- (c) that the Council's Economic Development Strategy needed to be very clear to businesses about why they should invest in the Vale and the benefits of doing it.
- (d) that the Infrastructure Plan should also be looking at whether there was a best place to invest infrastructure that would then help to unlock business investment / job growth.

RESOLVED –

- (1) That the Director, Growth and Strategy (Bucks County Council) and the Chief Executive (Bucks Thames Valley LEP) be thanked for attending the meeting.
- (2) That the feedback from the Committee be provided for consideration as part of the consultation undertaken on the Bucks Infrastructure Plan.

3. ECONOMIC DEVELOPMENT STRATEGY AND ACTION PLAN REPORT

The Committee received a report that outlined the elements of the draft Economic Development Strategy and Action Plan for the Vale for the period 2015-2018.

At the scrutiny meeting in June 2015, Members had provided with an overview of the Aylesbury Vale Economy and the key issues impacting on it. While many of the key factors that had impacted on the local economy in 2011 were still largely the same in 2014, there had been sufficient changes in some areas, e.g. infrastructure development, to make it prudent to refresh the Strategy and Action Plan going forward for the 2015-2018 period.

The Economic Development team had recently undertaken a survey to help provide some further input and feedback on the key issues the refreshed ED Strategy would need to address. Data was still being gathered from this and Members were informed of these emerging issues and themes at the meeting.

The draft Economic Development Strategy (EDS) key themes had then been used to develop the Action Plan which set out the range of actions, key leads and key partners involved in delivering the key actions. The Action Plan would be used to guide and monitor this economic development work being undertaken in the District. The activity areas were more fully explained in the appendices to the Committee report, which also included information on how they would be monitored and reported to the scrutiny committee via the work programme.

The Action Plan had 6 strands, namely:-

- Delivering the strategy – which focussed on the steps that would be taken to make the EDS a reality. Progress against the identified tasks would be regularly monitored and an Annual Report compiled to highlight the progress made.
- Supporting new enterprise – which aimed to build on Aylesbury Vale's strengths as a centre for enterprise and one of the best places in the UK to start a business. This would also focus on creating an environment in which entrepreneurship was recognised and celebrated.

Enterprise education in schools and Further Education (FE) and Higher Education (HE) would also be supported locally, as exemplified by the University Campus Aylesbury Vale (formerly known as the Waterside Academy). Potential new businesses would be supported, where appropriate, with access to funding and first stage premises, and provided with first class access to advice. Business networking would be encouraged to develop a strong sense of identity for local businesses.

- Supporting existing businesses to grow – businesses would be supported and encouraged to grow and expand locally. A mix of modern premises were available and meant that businesses could expand or re-locate within the Vale to

employment land in areas including Silverstone, Haddenham, Westcott and Berryfields.

Aylesbury Vale would continue to strive to meet the challenge of providing job opportunities in both mainstream and high value emerging and knowledge based sectors, to ensure the Vale economy continued to have a relevant, dynamic, resilient economy offering a wide range of employment.

- Attracting inward investment to the Vale – the EDS and Action Plan recognised that encouraging new business creation and the growth of existing businesses in the Vale could not be relied on alone to meet job growth targets. Therefore, there would also be a major focus on Aylesbury Vale as an exciting and dynamic inward investment business location, as part of the South East Midlands and Buckinghamshire Thames Valley Local Enterprise Partnerships.

As part of one of the fastest growing areas in the UK, the Vale would create a unique positioning that was attractive to ‘niche’ segments of the business market, emphasising the opportunities for higher value employment types, the potential to exploit the proximity to Oxford & Cambridge, especially with the advent of East West Rail, and the excellent location close to the M40, M1 & M25, lying midway between London and Birmingham.

- Infrastructure Development – there would be regeneration of the overall quality of employment space available within the Vale and upgrade and identification of other employment sites, in line with the emerging Vale of Aylesbury Local Plan (VALP) and the Aylesbury Town Centre Improvement Plan.

It was also planned to regenerate other key road and rail infrastructure such as the Eastern Link Road and East West Rail. Superfast Broadband would be rolled out further to rural and “not spot” areas to ensure wider coverage in the Vale in support of communities and business. The Local Enterprise Partnerships would identify infrastructure projects that were suitable for new Government funding streams for unlocking and help create a revolving fund to provide capacity.

- Growing our own workforce for the future knowledge economy – the availability of an appropriately skilled workforce was key to keeping pace with the increasing demand for higher skilled occupations and new and emerging market opportunities. Aylesbury Vale had to secure its future in the knowledge economy through responding to employers recruitment needs now and in the future.

To do this would require investment in the research and innovation skills of young people and providing alternative career paths, including vocational and apprenticeship opportunities, part of which would be met by the University Technical Centres (UTCs). Aylesbury Vale needed to focus on what it was good at including: supporting entrepreneurialism, exploiting its current knowledge economy research assets, exploiting ‘niche’ markets and encouraging multi-and cross-disciplinary workforce skills.

The 6 strands comprised 47 activity areas that had been reviewed and prioritised. These work areas had been discussed at the scrutiny meeting in June 2015 and the work areas for 2015/16 had been listed as:-

- Key employment sites.
- East/West Rail and HS2.
- LEP delivery programmes.
- The Aylesbury Vale Estates Business Plan.
- Skills Development.

- Support for business growth within the Vale.
- Inward Investment.
- Economic Development Strategy and Action Plan.
- Enterprise – start up businesses.
- European funded programmes – bidding and delivery.
- Economic Performance.
- Broadband.
- Business Support to market towns including Buckingham and Winslow.
- Visitor Economy.

A one page survey had been sent out in July-August asking key stakeholders to prioritise the following factors impacting on economic growth:-

- A) Enterprise culture.
- B) Business Retention and Growth.
- C) Competitive Knowledge based economy.
- D) Articulating a compelling Aylesbury Vale offer.
- E) Enabling infrastructure.
- F) Growing our own workforce.

23 replies had been received and a summary of them was provided to Members. While there had been a small number of replies, there had been general agreement that collaborative and effective partnership working was essential to delivering economic growth. The identified first choice priorities had been B), E) and D). The second choice priorities had been F) and D. At the same time, it had also been commented that all of these priorities were important and it was virtually impossible to differentiate between them.

Member requested further information and were informed as follows:-

- (i) that while the ED team did all they could to put interested people and investors in contact with local people, it was then up to these people to work together to progress issues, something that was often out of the control of the Council.
- (ii) on the current 2015/16 estimated budget for the Council's economic budget activities, including employee costs, special grants information.

Members also commented:-

- (a) that while the strategy identified strands and action areas, more work needed to be done to develop an overarching vision for the Vale and to then articulate this to people, particularly those outside of the Vale.
- (b) that more needed to be done with educational facilities to develop people with the 2 skills for which there were national shortages, IT and engineering.
- (c) that it would be helpful to differentiate within the 47 activity areas in areas such as:-
 - actions that helped maintain existing businesses, helped to grow existing businesses or were linked to inward investment.
 - those that were Aylesbury specific, or that focussed on a market town, or rural areas.

RESOLVED –

- (1) That the Cabinet Member and Officers be requested to consider the feedback from this meeting in finalising the Economic Development Strategy 2015-2018 and the accompanying Economic Development Action Plan.
- (2) That Members with any further comments on the Strategy or Action Plan should provide them directly to the Economic Development team.

4. AYLESBURY VALE BROADBAND

In April 2015 the Council had approved the establishment of the Aylesbury Vale Broadband Company and agreed for the Council to allocate up to £1.536m of the New Homes Bonus funding for the rollout of broadband in the Vale. This included providing funding of up to £200,000 for a pilot project in the North Marston and Granborough area.

The Committee received a report updating Members on the Aylesbury Vale Broadband project and outline business plan. Mr Andrew Mills, one of the directors of the AV Broadband Company also attended the meeting to provide a verbal update on progress and to answer questions from Members.

The Business Plan was attached as Appendix 1 in the confidential section of the Committee report. Both the Business Plan and some information on the current position of the project contained commercially sensitive information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act, 1972. Members referred to this information during their discussions.

Members were informed that information on the project progress that was able to be made publicly available could be accessed at www.avbroadband.co.uk.

The plans for the next areas for investment from the rest of the AVDC funds will be considered once the North Marston and Granborough network has been implemented and evaluated later in the year. This will be done alongside the potential areas for future investment in relation to the next phase of the Connected Counties project.

Member requested further information and were informed as follows:-

- (i) that the work of the AV Broadband Company and the Connect Counties work would still not provide full high speed broadband coverage across the whole of the District. As such, AVDC had been talking with BT on how matched funding might be used, from within the £1.536m agreed by Council, to reach even more villages across the Vale through the Superfast Extension Programme. The LEP had identified a number of preference areas across the county where there was a high business/home working incidence and this included a number of areas in the Vale. These villages included Ashendon, Aston Abbots, Bishopstone, Calvert Green, Charndon, Drayton Parslow, Hardwick, Great Brickhill, Lillingstone Lovell, Newton Longville, Stewkley, Thornton, and Wingrave and Rowsham. These areas had been identified as areas that had very poor or no broadband coverage, where a high level of demand had been expressed either through the previous Connected Counties scheme or the AVB project.
- (ii) that 48 Parishes had registered an interest in getting superfast broadband in their areas.
- (iii) that all of the homes in the pilot project area would be connected with fibre to the home, that would provide the best long term economic and social benefits. It would also provide quicker upload speeds, something that was particularly important to local businesses.

- (iv) that, unfortunately, due to a number of issues a local cable laying team had had to be replaced with another team.
- (v) on a range of issues associated with the effective day-to-day running of the business, e.g. subscriptions management, staffing for the AVB company, customer support and service, and on how customer accounts would be managed.
- (vi) that AVB had been overwhelmed by the support it had received from community volunteers, which had both assisted in progressing the pilot project and minimising costs.
- (vii) on the work and business experience of Mr Mills.
- (viii) that AVDC had not considered working with other partners to establish the Aylesbury Vale Broadband Company. A tendering process had not been necessary to select Mr Mills as the contracted amount was below the Council's prescribed procurement limits.
- (ix) that the pilot project area had been chosen as Mr Mills had a good knowledge of that area. The list for future projects had been put together with knowledge from known community demand, as well as where it was believed that there would be a good take up of the service.
- (x) that by becoming an NGA, AVB would be able to apply for matched funding for projects.
- (xi) that AVB were confident that there would be a good take up of broadband in the pilot project area.
- (xii) that the Council had taken legal advice to confirm that it was able to establish a limited liability company.
- (xiii) that AVB would be responsible for maintaining the fibre cable.
- (xiv) that AVB had a very good name in the local community and intended to comply with the Open Internet voluntary Code of Practice, and to deal promptly with any customer complaints.
- (xv) that once the broadband service was up and running, it was anticipated the first customers would go live in October 2015, AVB would be happy to report back to the committee with information on income breakdown and costs.

In agreeing that some parts of Appendix 2 needed to be updated, it was –

RESOLVED –

- (1) That the current position on the establishment of the Aylesbury Vale Broadband Company (AVB) and progress made to date in rolling out the programme in the Vale be noted.
- (2) That Members who had any further queries regarding AVB should send them to Officers, with replies then circulated to all Members of the Committee.
- (3) That further reports on AVB be provided to the scrutiny committee, after the first quarter of operations and after six months.

5. WORK PROGRAMME

The Committee considered their work programme for the period up until March 2016. It was agreed that agenda items for future meetings would be:-

- (i) 26 October 2015 meeting
 - Aylesbury Vale Estates Business Plan.
 - Draft Economic Development Strategy.

- (ii) 7 December 2015 meeting
 - Strategic Engagement with key partners.
 - Investment Opportunities to encourage new businesses.
 - Inward Investment Strategy.

- (iii) 20 January 2016 meeting
 - Skills Development and Education.
 - Aylesbury Vale Broadband update.

- (iv) 15 March 2016
 - To be confirmed.

RESOLVED –

That the work programme be agreed, as discussed at the meeting.