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AYLESBURY VALE DISTRICT COUNCIL Democratic Services

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20 October 2016

ECONOMY AND BUSINESS DEVELOPMENT SCRUTINY COMMITTEE

A meeting of the Economy and Business Development Scrutiny Committee will be held at **6.30 pm** on **Monday 31 October 2016** in **The Olympic Room, Aylesbury Vale District Council, The Gateway, Gatehouse Road, Aylesbury, HP19 8FF**, when your attendance is requested.

Membership: Councillor P Strachan (Chairman); Councillors A Southam (Vice-Chairman), B Adams, Branston, A Christensen, M Hawkett, T Hunter-Watts, P Irwin, C Poll, J Ward and W Whyte

Contact Officer for meeting arrangements: Alice Fisher; afisher@aylesburyvaledc.gov.uk;

AGENDA

1. APOLOGIES

2. TEMPORARY CHANGES TO MEMBERSHIP

Any changes will be reported at the meeting.

3. MINUTES (Pages 3 - 6)

To approve as a correct record the Minutes of the meeting held on 7 September 2016, copy attached as Appendix A.

4. DECLARATION OF INTEREST

Members to declare any interests.

5. ENTERPRISE ZONES (Pages 7 - 12)

To consider the attached report.

Contact Officer Tracey Aldworth – 01296 585003

6. TOWN CENTRE PARTNERSHIP (Pages 13 - 14)

To consider the attached report. A presentation will be given at the meeting.

Contact Officer Teresa Lane 01296 585006



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Economy and Business Development Scrutiny Committee

7 SEPTEMBER 2016

PRESENT: Councillor P Strachan (Chairman); Councillors B Adams, Branston, M Hawkett, T Hunter-Watts, P Irwin, L Monger (In place of A Christensen), M Rand (In place of C Poll) and J Ward

APOLOGIES: Councillors A Christensen, C Poll, A Southam and W Whyte

1. TEMPORARY CHANGES TO MEMBERSHIP

Councillor L Monger substituted for Councillor A Christensen and Councillor M Rand substituted for Councillor C Poll.

2. MINUTES

RESOLVED –

That the minutes of the meetings held on 18 May and 1 June 2016 be approved as correct records.

3. WATERSIDE NORTH NEXT PHASES

Consideration was given to a report on Waterside North – Future Phases of Development which had also been submitted to Cabinet at its meeting on 6 September 2016.

Cabinet had been asked to recommend to Council that a budget of up to £250,000, to be met from the general revenue fund, be approved to enable the preparatory work for the next stages of development of Aylesbury Town to be progressed. The views of this committee were being sought before Council considered the recommendation on 14 September 2016.

The Head of Commercial Property and Major Projects attended the meeting and updated Members regarding the Cabinet meeting on 6 September.

Members raised concerns about car parking issues in the centre of Aylesbury, both during the building works and once the development was completed. Members were advised that a car parking plan will be commissioned if council approves the budget. The plan will review the possible sites available and the type of car park that could be provided, for example multi-storey, surface or undercroft. Members asked about the possibility of a park and ride facility, Buckinghamshire County Council were developing a transport strategy which AVDC were involved with. The strategy would look at park and ride so this would not be ruled out at this stage.

Members enquired about the Dayla site along with the potential to develop the bottom of the High Street including Hampden House. It was hoped to transform the area around Gala Bingo and provide a new entrance onto the High Street as part of the next phase of development. This would hopefully provide uplift to the street and adjacent areas to help attract retailers and shoppers. It was also hoped that existing High Street retailers and landlords would engage and share in AVDC's vision for the town centre.

Members asked about how new retailers and members of the public would be attracted to Aylesbury, with Milton Keynes and Hemel Hempstead being in close travelling distance. It was hoped that with the new development and vision of the town centre, that

Aylesbury would have a relaxed friendly atmosphere with plenty of restaurants and retailers to attract people to the town. Aylesbury's offer would be complementary to Milton Keynes as it could not compete with regional shopping centres. A retail study underway would show which other centres were used by the Aylesbury catchment.

Another issue raised by Members was the use of the area on the ground floor of the University. Reserved as a restaurant space, the University had control over this area and although it was disappointing that it had not been possible to secure operators yet, the University had been assured by the letting agent that once the restaurants on Waterside North had been let, the University space would be taken up. In the meantime the University was entitled to consider a temporary change of use.

Members enquired about the trees in the new public square and other public areas as they were concerned that young saplings might be susceptible to adverse weather and vandalism. They were reassured that the trees being planted would be of substantial size but not too big so as to obstruct signage and lighting.

The Chairman and Members thanked the Head of Commercial Property and Major Projects for taking the time to update the Committee.

RESOLVED –

The contents of the report views outlined above be conveyed to the relevant Cabinet Member.

4. AYLESBURY VALE BROADBAND BUSINESS PLAN

The committee also considered a report on Aylesbury Vale Broadband Ltd. The business plan of which had been submitted to its meeting on 6 September 2016. The Economy and Business Development Scrutiny Committee had been invited to comment on the report and pass its views to the relevant Cabinet Member.

In December, 2014, the Council had committed £1.536m of New Homes Bonus funding to support the roll-out of superfast broadband across the District. In April, 2015, the Council had approved an initial loan from this funding of £200,000 to run a pilot project through the creation of a limited liability company – Aylesbury Vale Broadband (AVB) – to provide superfast broadband to the villages of North Marston and Granborough.

Progress with the pilot had been reported to this Committee on a regular basis, with the last report having been submitted on 15 March, 2016.

As a result of the success of the pilot, in April, 2016, a further loan was approved in the sum of £500,000 to support further expansion of the service across the Vale. These loans had been made under commercial rates and were expected to be repaid by 30 June 2022.

AVB had been structured with the majority shareholder (95%) AVDC and 5% Ironic Thought. Ironic Thought was owned by Andrew Mills who had been appointed as the managing Director in July, 2016. Some of the wider benefits of AVB's progress to date included:-

- AVB's network, in the middle of rural Aylesbury Vale, was delivering speeds that only 2% of the UK population could currently receive.
- Approximately one in three of AVB's customers were small businesses who were now benefitting from AVB's 100% fibre broadband.

- As a direct result of AVB's pilot, its competitors (including fixed and wireless providers) had spent an estimated £600,000 on upgrading their existing solutions and providing new services to Aylesbury Vale. This expenditure was unlikely to have happened without AVB's existence and it meant fewer people having to make do with poor broadband in Aylesbury Vale.

The business plan included plans for expansion which went further across the Vale to deliver fibre to the home (FTTH) to more villages. This was predicated on an additional £550k loan being allocated to AVB from the original £1.536m of funds earmarked for superfast broadband.

It had been forecast by several industry bodies that demand for bandwidth was expected to grow exponentially by 2020. Fibre was the only known technology that could cope with this demand, without additional investment and therefore by selecting FTTH, AVB was reducing its future support and maintenance costs and increasing confidence in the financial forecasts for the future.

Andrew Mills from Aylesbury Vale Broadband attended the meeting and gave a presentation on the progress so far and future initiatives.

Members were pleased with the progress being made and enquired about the next phase of the project along with more details of how the technology worked.

Andrew was asked what his key successes were; he stated that it was customer satisfaction from bringing fast fibre broadband to people who had not previously been able to receive it.

The Chairman and Members thanked Andrew for taking the time to update the committee and stated that there would be further updates to Committee in the future.

A copy of AVB's draft business plan was submitted as part of the confidential part of the agenda. It was necessary to resolve to exclude the public whilst the plan was discussed under section 100(A)(4) of the Local Government Act, 1972, because of the commercial sensitivity of the information contained therein as defined in paragraph 3 of Schedule 12A of the Act.

RESOLVED –

That the draft business plan be endorsed and this Committee's views be conveyed to the relevant Cabinet Member.

5. EXCLUSION OF THE PUBLIC

RESOLVED –

That under Section 100(A)(4) of the Local Government Act, 1972, the public be excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in the Paragraph indicated in Part 1 of Schedule 12A of the Act:-

Aylesbury Vale Broadband Business Plan (Paragraph 3)

The public interest in maintaining the exemption outweighed the public interest in disclosing the information because the documents contained information relating to the financial or business affairs of organisations (including the authority holding that information), and disclosure of commercially sensitive information would prejudice negotiations for contracts and land disposals/transactions.

6. AYLESBURY VALE BROADBAND BUSINESS PLAN

RESOLVED –

In reaching the above decisions, consideration was given to AVB's draft business plan.

AYLESBURY VALE ENTERPRISE ZONE

Tracey Aldworth

1 Purpose

- 1.1 To provide an update on the latest progress with the Aylesbury Vale Enterprise Zone.

2 Recommendations

- 2.1 To note the latest position on the progress outlined in the presentation by the Bucks Thames Valley Local Enterprise Partnership about the Aylesbury Vale Enterprise Zone.

3 Supporting information

- 3.1 Attached is a briefing note in relation to the Aylesbury Vale Enterprise Zone (AVEZ) and the background to the proposals.
- 3.2 Representatives from the Buckinghamshire Thames Valley Local Enterprise Partnership will attend the Scrutiny Committee to present an update on the latest progress and position regarding the AVEZ. They will also be able to respond to any questions from the Committee.

4 Resource implications

- 4.1 No additional resource implications arising from this report that have not already been accounted for in the previous approval process for the enterprise zone proposals agreed by this Council.

Contact Officer Tracey Aldworth 01296 585003
Background Documents N/A

ENTEPRISE ZONE UPDATE

1 Purpose

1.1 To provide an update on the Aylesbury Vale Enterprise Zone (AVEZ).

2 Executive summary

2.1 In the latter stages of 2015, working closely with public and private sector partners, BTVLEP submitted with the support of AVDC for an Aylesbury Vale Enterprise Zone (AVEZ), which was subsequently accepted by central government.

2.2 Enterprise Zones are an important part of the Government's programme to devolve responsibility for leadership of local growth and provide a powerful tool for Local Enterprise Partnerships to develop their local economy.

2.3 The award of the Aylesbury Vale Enterprise Zone reflects the partnership working between AVDC, BCC, BTVLEP, Silverstone Park, Westcott Venture Park and Arla.

2.4 Businesses basing themselves on Enterprise Zones can access- up to 100% business rate discount worth up to £275,000 per annum over a 5 year period for qualifying occupiers. This benefit can only be offered up until March 2022 from which point the benefit will taper until the offer expires in March 2027.

2.5 In addition, Enterprise Zones benefit from 100% retention of business rate growth for LEPs to reinvest in development on the Enterprise Zones .

2.6 For the LEP, Landowners and Local Authority Partners, Enterprise Zones will also continue to benefit from 100% growth of business rates retention for 25 years with 100% protection from any future reset or redistribution and as such, will sit outside the standard LA rates retention arrangements that will exist outside Enterprise Zones.

2.7 Business rate growth on an Enterprise Zone will not count towards an authority's business rate baseline income and, as a result, will not be used in the calculation for local authority top ups or tariff payments. Furthermore EZ's business rate discounts that are fully funded by the Government will generate business rates income that would not otherwise have arisen.

2.8 The Aylesbury Vale Enterprise Zone comprises:

Westcott Venture Park

The Space Related element of the Westcott Venture Park site which is owned by Rockspring. Only the Space Propulsion element of the site is covered by EZ status in recognition of the fact that this allocated land would attract the higher value knowledge economy type business and investment. Investment in the Space sector is currently heavily controlled by Government through the European and UK Space Agencies.

Westcott has both the recognition and support of these Agencies and BTVLEP has been working actively with the agency about some plans they have for investing in this site, ultimately re-positioning this site for the increasing opportunities arising from space exploration and travel, ensuring that this strategic site is more than just an historic WW2 Heritage site. On a positive note, AVDC are working seriously with Westcott and a major space engineering company to locate to Westcott and hopefully be established and up and running by March 2017.

2.9 Silverstone

For the Silverstone site, owned by MEPC, it is only the currently undeveloped site K that is part of the Enterprise Zone which will help accelerate and bring forward the investment in the enabling infrastructure, where there is currently a gap. It will support the acceleration of the development of the site and attract businesses in earlier than would have been the case without the Enterprise Zone designation.

3.0 Woodlands

On Arla/Woodlands the site includes a mix of consented and unconsented land something that was necessary to make the proposal viable. The consented element of the Enterprise Zone covers the Arla development and the unconsented element is being led by Buckinghamshire Advantage. This site is intended to have a focus on Food and Drink, Health and Care related activities. The landowner Memorandum of Understanding (MOU) has been signed by db Symmetry and is ready for signature by the EZ Board. The landowner MOU includes an occupancy policy for sectors to occupy the site and the public sector MOU reflects the intention to give rates relief to these groups.

A planning application is in preparation for the non Arla Woodland Site and will shortly be submitted for a large mixed use scheme including residential and employment uses. Preliminary work is being undertaken on the mechanisms for the commercial delivery of the first phase of development.

3.1 Governance of Enterprise Zones

3.2 As far as the prospective governance framework for Enterprise Zones is concerned;

The guidance published ahead of the bid submission clearly stated that LEPs were the primary body responsible for overseeing the development of Enterprise Zones, but that they were expected to work 'closely with the local authorities in which the EZs were based.

Each site will have a Memorandum of Understanding (MoU) that will be a flexible document, with the initial proposals suggesting the first version should last until 2020. It will need to be signed by BTVLEP, the landowners and the local authorities

The Aylesbury Vale Enterprise Zone Strategic Board will manage the progress of the Zone in relation to the agreed business plan. The Board comprises local authorities in which the EZs are based, landowners and a private sector LEP Board member (to provide an independent chair and an effective reporting line back to the LEP Board)

This EZ Strategic Board will be responsible for;

- ensuring that the Aylesbury Vale Enterprise Zone is able to maximise the potential of this location to benefit Buckinghamshire
- managing the delivery of the strategic vision
- overseeing marketing and co-ordination of development across the Enterprise Zone sites and
- monitoring the performance of the Enterprise Zone against key measures including the fiscal and employment outcomes to be secured across the Zone.

4.0 Resourcing the Enterprise Zone

4.1 Resources - evidence from past EZs suggests that one of the critical success factors is to resource it with a suitably qualified EZ member of staff. Michael Dillon, a chartered surveyor with extensive property development, inward investment, and enterprise zone experience has been appointed to the role on a temporary basis. The main strands of the enterprise Zone manager role include:

Assisting with the development and business plan going forward to maximise retained business rates, develop an investment approach and establish measures to generate most value.

Liaising with landowners and monitoring their development programmes.

Assessing the development viability of Aylesbury Woodlands to ensure the first phase of development commences.

5.0 Current Activity

- 5.1 The Government is now asking all partners that were party to an EZ proposal to agree a Memorandum of Understanding for each Enterprise Zone.
- 5.2 In order for the MOU to be effective it needs to be agreed by all parties.
- 5.3 The MOU's are in the final stages of discussions with minor detail to be agreed and will be formally signed off in the near future.
- Westcott MOU has been agreed in principle with Rockspring and that it will be finalised shortly with a view to being ready for signature at the next AVEZ Strategic Board meeting.
 - Silverstone MOU .There are some minor drafting amendments and once changes are made, the document can be relayed to MEPC's legal team for review and sign off.
- 5.4 The Enterprise Zone manager is preparing a Board paper to identify the methods by which the first stage development of Aylesbury Woodland can be brought forward and is also undertaking in house development appraisals of the site to establish appropriate phasing and the highest and best value uses for the site.

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AYLESBURY TOWN CENTRE PARTNERSHIP UPDATE

1 Purpose

- 1.1 To give the committee by way of a presentation, an overview of the work of the Aylesbury Town Centre Partnership over the last twelve months and to highlight key elements included in the draft business plan for the next twelve months.

2 Recommendations

- | | |
|-----|---|
| 2.1 | Members note from the presentation the work of the Partnership and plans for the next twelve months |
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3 Supporting information

- 3.1 The Aylesbury Town Centre Partnership is a thriving organisation which supports the town centre business community and helps improve and promote the town to encourage more footfall and investment.
- 3.2 The Town Centre Team has three part-time paid members of staff, including the Markets Manager, who deliver the business plan on behalf of and working with the Partnership members.
- 3.3 The Partnership is currently financed from a number of sources with AVDC the majority funder. The Town Centre Manager will present a summary of the Partnership achievements over the last twelve months or so and highlight key elements included in the business pan for the next year.

4 Resource implications

The presentation will summarise how the funds for the Partnership are used. No increase in AVDC funding is requested.

Contact Officer	Teresa Lane 01296 585006
Background Documents	None

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