

# **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.