

ECONOMY AND BUSINESS DEVELOPMENT SCRUTINY COMMITTEE

21 JANUARY 2020

PRESENT: Councillors B Adams, B Foster, S Jenkins, D Lyons, C Poll and W Raja. Councillors Bowles and Stuchbury attended also.

APOLOGIES: Councillors C Branston, W Whyte, J Bloom, B Chapple OBE and T Hunter-Watts

1. ELECTION OF CHAIRMAN FOR THE MEETING

In the absence of the Chairman and Vice Chairman, it was

RESOLVED –

That Councillor Poll be elected Chairman for the meeting.

2. MINUTES

RESOLVED –

That the minutes of the meeting held on 10 September, 2019, be approved as a correct record, subject to the inclusion of the following additional bullet point at the end of Minute 4:-

- The environmental performance of AVE in relation to the portfolio within the context of the climate emergency.

3. AYLESBURY VALE ESTATES BUSINESS PLAN 2020-2023

The Committee received a report, also submitted to Cabinet on 17 December, 2019, explaining what would happen to Aylesbury Vale Estates (AVE) on 1 April, 2020 when the new Buckinghamshire Council came into being, and setting out a high level summary of AVE's Business Plan covering the period 2020 to 2023. A full copy of the Business Plan was submitted as part of the confidential agenda. Consideration of the detail of the Plan required the Committee to resolve that the public be excluded from the meeting in accordance with Paragraph 3 in Part 1 of Schedule 12A of the Local Government Act, 1972 having regard to the commercially sensitive information included therein.

The Minutes of Cabinet were also submitted from which it was noted that:-

- Cabinet had noted that the AVDC shareholding in AVE LLP would transfer to the new Buckinghamshire Council on 1 April, 2020.
- Subject to any views this Committee might have, Cabinet had felt that the draft Business Plan could be approved.

Representatives of the Asset Managers, Akeman Partnership, attended the meeting to give a brief overview of the Business Plan and answer specific questions from Members. The Asset Managers explained the rationale behind the formulation of a base financial planning scenario and an enhanced scenario, taking into account the future residential/commercial development of land at Rabans Lane. The overall aim was to produce a self-sufficient portfolio financed by revenue and not reliant on asset sales. Members asked about/commented on a number of issues, including:-

- The sizing of commercial units on the Rabans Lane site. The Asset Managers advised that they were looking to provide a wide range of units according to market demand.
- The debt repayment arrangements. The Asset Managers gave an explanation of the structure of their loans and repayment schedule.
- Maintaining an attractive retail offer at Hale Leys. It was indicated that in common with the experience of shopping centres across the country, maintaining an attractive and viable retail offer was proving to be very challenging in the current market trading conditions. However, a concerted effort had been made to attract more imaginative outlets. This was demonstrated by roof top food outlet and the walk-in crèche/nursery, also with refreshment facilities. The Asset Managers were cognisant of the successes at other major retail locations and endeavoured, where financially viable to implement best practice. Care needed however to be taken to avoid “clashes” with other uses within the town centre. It was indicated that whilst rents had been kept as low as commercially acceptable, the level of business rates remained high and this impacted upon AVE’s desire to attract a more diverse range of businesses.
- Environmental issues. The Asset Managers indicated that potential clients were looking for modern fuel efficient premises and efforts were being made to achieve this, whilst maintaining a commercially viable operation. Reference was made to the £1m refurbishment of industrial units which had taken account of the need for fuel efficiencies and keeping these overhead costs to an acceptable level for tenants. They were reminded of the decision of AVDC to ask the new Buckinghamshire authority to set a target of zero carbon emissions by 2030 and the view was expressed that future business plans should take this factor into account in its commercial planning. Members commented that in reporting performance to the successor authority, provision should be made for that authority to be able to measure environmental performance within the context of climate change.
- Again, Members expressed concern about the time taken to process planning applications, but noted that improvements in this process would continue to be a priority of AVDC and would be carried forward to the new unitary authority.

Overall, the Committee concurred with Cabinet’s decision to approve the Business Plan, but in so doing,

RESOLVED –

That the Cabinet Member for Economic Development be asked to convey the above views, particularly those around environmental impacts and climate change, to the Shadow Executive of the new Buckinghamshire authority when the Business Plan for AVE was considered by that authority.

NOTE:

As one of the Council’s representatives on the AVE Board, the Assistant Director responsible for regeneration and property declared a prejudicial interest in the above item remained only during the presentation to answer specific questions from Members. The Assistant Director left the meeting whilst the Committee deliberated upon the Business Plan.

4. VOTE OF THANKS

Members noted that this was the last meeting of the Scrutiny Committee before vesting day and

RESOLVED –

That the best thanks of the Committee be extended to Members and officers for their support of the work of the Committee since its inception.