
Subject:	AYLESHAM VILLAGE EXPANSION – RETAIL UNITS, THIRD PARTY LAND AND POST DEVELOPMENT IMPROVEMENTS
Meeting and Date:	Cabinet – 3 July 2017
Report of:	Nadeem Aziz, Chief Executive
Portfolio Holder:	Councillor Paul Watkins, Leader of the Council
Decision Type:	Non-Key Decision
Classification:	Unrestricted

Purpose of the report: To seek approval for a range of works at Aylesham to support the ongoing village expansion

Recommendation: 1. To approve the projects detailed below, their addition to the Medium Term Capital Programme (MTCP) and their funding from the Aylesham capital receipt:

- £130,000 for the fit out of the four Council-owned retail units in Market Place, Aylesham
- £10,000 for legal and related advice to support the purchase of required third party land within the Aylesham Garden Village Development.
- £25,000 to undertake further works aimed at enhancing and protecting improvements that have been made to the village, but fall outside of the current planning permission.
- £15,000 to support the installation of CCTV in the Market Place and surrounding area

1. Summary

This report draws together four individual requests for projects relating to the Aylesham development. It seeks approval to add the projects to the MTCP and to fund them from the Aylesham capital receipt in order to progress the proposals and support the on-going development.

2. Introduction and Background

- 2.1 Members will recall an earlier report of 7 November 2016 that approved the agreement of a 7th Deed of Variation that finalised the land value and overage for Phase 1A and 1B of the development and secured over £8m in Capital receipts.
- 2.2 That report also delegated authority to the Planning Delivery Manager to negotiate the purchase of the retail units in Market Place, Aylesham and to negotiate the possible purchase of land within the red-line of the development that is currently not in DDC's ownership.
- 2.3 The retail units have been purchased at a cost of £160,000 +VAT and this included the freehold of the building which incorporates affordable housing units on a long lease to Southern Housing.
- 2.4 Negotiations have also begun on the 3rd party land acquisition.
- 2.5 The majority of the infrastructure works are now complete and this has included significant enhancements to highways, verges and landscaping across the whole

village. However, some of those works have become spoiled due to the actions of some individuals and it is considered appropriate to introduce some low-key protection measures.

- 2.6 There are a small number of relatively minor improvements, particularly around the Market Place that, in hindsight, should have been incorporated into the Planning Permission. These are related to the provision of cycle racks and some improvements to areas around parking spaces.

3. The Proposals in More Detail

Retail Units

- 3.1 The units were bought as 'shell and core' with no internal fit out or shop fronts. It was always anticipated that DDC would undertake these works and the purchase price of the units reflected their incomplete state.
- 3.2 They have been vacant and boarded up since they were built and whilst they were not attractive to buyers (probably because of the need to own the entire building), there has been a lot of interest from local businesses interested in leasing the properties. A quality fit out in a prime position with a rapidly expanding local population should ensure a good commercial rate of return.
- 3.3 In order to get these tenanted as soon as possible it is anticipated that the fit out will be outsourced. The option to let them in a 'shell and core' state has been considered, but detailed inspection of the building and the need for some possible service re-routing makes this a risk that is not recommended.
- 3.4 The total cost of purchase and fit out will be up to £290,000. An independent valuation by the developers in 2015 gave a possible return of between £35,000 and £53,000. Even at the lowest quote the gross return would be c12%.

3rd Party Land

- 3.5 Negotiations are still at a very early stage. However, it has become clear that the Council will need some specialist legal advice on land ownership matters. In discussions with the Councils own legal team it has been agreed that this advice should be procured externally and it is proposed to use our retained Solicitors, Dentons, to provide this if possible.

Protection and Enhancement Measures

- 3.6 Road improvements on Dorman Avenue North have been constructed with new verges and planting. Unfortunately, some individuals are still using the grass verge to park. It is proposed to install some low key protection such as wooden bollards of a type seen on many developments. This will need permission from Kent County Council as this is an adopted road, but it is not anticipated that this will be difficult to obtain.
- 3.7 New parking areas around the retail units on both sides of the Market Place have been landscaped, but this has proven to be unsatisfactory in poor weather as motorists and passengers are getting out of their cars into damp and muddy areas. It is proposed to replace the landscaping with a more permeable solution.
- 3.8 The easy access to some of the larger landscaped areas has resulted in them being used by car owners which is not only spoiling the landscape but is also dangerous to legitimate users of these spaces. It is proposed that some natural barriers are considered to deter this activity.

CCTV

- 3.9 Linked to these enhancements is the requirement for CCTV to help protect our assets and prevent anti-social behaviour. This has support from the Parish Council.

3.10 Technological enhancements in this area now only necessitate the installation of a single 'base' unit that feeds back to the CCTV control room with any other CCTV cameras being wi-fi enabled giving flexibility on their siting and also reducing costs.

3.11 This funding request is a contribution to the overall costs and it is anticipated that this will be a project in partnership with the Parish Council and occupiers of retail units.

4. **Identification of Options**

4.1 Approve the projects and associated budget allocation.

4.2 Reject the projects and associated budget allocation.

5. **Evaluation of Options**

5.1 Approve the projects and associated budget allocation - This is recommended.

- The fit-out of the retail units is an essential piece of work and was always expected when they were approved for purchase.
- A failure to secure 3rd party land may impact on the future scope of the development and could potentially result in a costly CPO process.
- Although the Council has secured a capital receipt from the development, it has also procured c£10m on infrastructure and related works. It is the protection and enhancement of these works that this relatively small sum will be used.

5.2 Reject the projects and associated budget allocation. This is not recommended. Aylesham is becoming a destination of choice and it is important that the village remains attractive to residents that live in the village and those considering making Aylesham their home.

6. **Resource Implications**

It is proposed to fund the works from the Aylesham capital receipt received in 2016/17.

7. **Corporate Implications**

7.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment to add. (KW)

7.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.

7.3 Comment from the Equalities Officer: This report does not specifically highlight any equalities implications, however in discharging their responsibilities members are required to comply with the public sector equality duty as set out in section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15>

8. **Appendices**

None.

9. **Background Papers**

None.

Contact Officer: Dave Robinson, Planning Delivery Manager (01304 872121)