

KENNET DISTRICT COUNCIL

COMMUNITY DEVELOPMENT EXECUTIVE COMMITTEE

To be held on Tuesday 1st March 2005

RESOURCES EXECUTIVE COMMITTEE

To be held on Tuesday 15th March 2005

Investment in Pewsey

Report of the Director of Resources

1. Purpose of the Report

The purpose of the report is to introduce recommendations for the future investment of resources in Pewsey for the benefit of the Pewsey Community Area.

2. Financial Implications

If the report's recommendations are accepted, part of possible future capital receipts derived from the Council's land ownership in Pewsey would be invested in the village.

3. Staffing Implications

None.

4. Legal Implications

If the report's recommendations are accepted, and in any event, there will be significant legal work involved in concluding any planning and other contractual agreements.

5. Introduction

The community planning process has identified a number of aspirations for the Pewsey Community Area, and these are included in the Pewsey Community Area Plan. In addition a consultation exercise funded from MCTI (Market and Coastal Towns Initiative) grant is currently being carried out and will lead to a report that identifies possible projects designed to sustain and improve the role of Pewsey as a service centre for the rural catchments that comprise the Pewsey Community Area.

Added impetus has been added to the above process by the knowledge that possible development in the village of Pewsey will potentially provide the means to fund investment in that place.

6. Background

There are various background matters to be considered, and whilst the report deals with them under discreet headings they are in fact closely linked.

Pewsey as a Service Centre

One of the strategic objectives of the 'Kennet District Local Plan – Adopted April 2004' (the Local Plan) is to:

“Sustain the role of the larger villages such as Pewsey, Ludgershall and Market Lavington in acting as secondary service centres for their rural catchments.”

The importance of Pewsey as a secondary service centre is illustrated by the chart at Appendix A to the report which sets out the availability of various facilities and services in the Pewsey Community Area.

In addition to the facilities listed, Pewsey also has a railway station, is the centre of bus networks serving the community area, and has a supermarket, street market and a sports centre.

Clearly, Pewsey has facilities that reinforce its role as a secondary service centre, and this is important from the point of view of sustaining the rural hinterland that it serves. However, there is a need for investment in the infrastructure of the village if it is to maintain that position.

Community Planning

The Pewsey Community Area Plan reinforces the need to provide investment in Pewsey to maintain its position as a service centre.

The consultation exercise funded by MCTI grant will bring forward proposals for investment in the economic and social and cultural infrastructure of the village that are also focused on maintaining the viability of the village as a service centre.

Development Opportunities Identified in the Local Plan

Appendix B to the report sets out specific development opportunities in Pewsey designed in part to fulfil the strategic aspirations of the Local Plan for Pewsey as quoted above. Apart from being explicitly stated, the implicit message in the Local Plan is that Pewsey is seen as a community capable of taking significant new development and playing an important role in the wider community it serves.

Broomcroft Road

Appendix C to the report identifies a piece of land adjacent to Broomcroft Road in Pewsey that has a potential value in its own right for a small-scale housing development. More importantly, it could provide the only acceptable means of access to land to the rear, stretching down as far as the Whatleys industrial land. This in turn means that the Council owns a ransom strip, and any development of land to the rear would bring the Council a proportion of the uplift in the development value of that land over and above existing use values.

This land ownership therefore has the potential to provide an opportunity to invest in Pewsey in order to strengthen its position as a local service centre.

Appendix D to the report is an extract plan from the planning development brief for the Broomcroft Road/Avonside area. On the plan the letter A shows an access road crossing the Council's land ownership as identified at Appendix B. The letter B is part of the development site. The letter C shows the path of a required riverside walk. The letter A identifies the approximate area of land that would have to be given up by any developer for "community use". That land surrounds the existing Pewsey Heritage Centre, and a number of potential community uses are identified in the planning brief.

The Broomcroft Road development site might therefore help to bring together the aspirations of Kennet and the local community to reinforce Pewsey as a service centre, with land and money with which to further that policy objective.

7. Financial Considerations

The Council does not normally ring-fence capital receipts arising from a particular location for re-investment in that location, although it has done so in special cases in the past.

There are good reasons in this case to ring-fence a large proportion of any proceeds from land transactions in this case for re-investment in Pewsey.

They are:

1. The Council has only made very limited capital investment in Pewsey in the recent past, (the provision of a small car park at Hallgate House) plus social housing grant payments that have been reimbursed by the Housing Corporation. The majority of the Council's capital investment

tends to be focused on the larger urban areas, reflecting their importance as service areas.

2. Capital investment in Pewsey would help to meet objectives in the Pewsey Community Area Plan that are unlikely to be funded in any other way.
3. Without Pewsey as a local service centre the people living in this most sparsely populated part of Kennet would be forced to travel for all but their most basic service needs, and this is not sustainable in the environmental sense.
4. The funding would be provided through an opportunistic development taking place in Pewsey, and the only cost to Kennet would be the opportunity cost of not being able to spend the money elsewhere and not being able to invest it in financial instruments designed to produce a revenue cash flow. .
5. The people of Pewsey would reasonably expect to see a large proportion of the capital receipt arising from development, if not all of it, being re-invested in Pewsey on the grounds of natural justice.

However, by no means all of the Council's capital programme is location-specific. A significant proportion has to be spent on the Council's corporate infrastructure, information technology, vehicles, public offices and depots. The Pewsey area benefits as much as any other from this investment, and a part of any capital receipts arising should contribute to those corporate costs. In fact the capital programme just approved by the Council includes £450,000 from capital receipts in Pewsey to help fund corporate infrastructure. Any receipts in excess of that sum are not so "encumbered".

It would therefore be possible to invest any excess over £450,000 in Pewsey without affecting the Council's adopted capital programme. However, there is a danger when there is money to be spent that projects will simply "chase" the money available, and the Council should be clear from the outset that it will only invest in worthwhile schemes that it judges will enhance Pewsey as a local service centre for the Pewsey Community Area, and are in furtherance of the Council's corporate objectives.

8. Sale of Land in Pewsey

The question of how to apply any capital receipts in Pewsey does of course assume that the Council approves of the disposal of the land it holds in Broomcroft Road, and that approval will be given to allow access to development across its land holding in that area. This report will recommend such a disposal as being in the Council's financial interests and in furtherance of the planning brief for the area.

9. Pewsey Area Community Trust (PACT)

PACT is the local development trust for the Pewsey Community Area. Despite being a relatively new organisation it has demonstrated that it has the skills and enthusiasm amongst its volunteers to make a significant contribution to the economic vitality of Pewsey. A highly successful Christmas Fare, a youth event and the establishment of the e-Pewsey initiative with Wiltshire Smartplace funding are just some of the good things organised by PACT.

However, PACT needs independent sources of income to underpin its work. The street market in Pewsey has struggled to thrive, or even survive, over many years. Gross income from market tolls is only £3,150 per annum. With the cost of managing the market from Devizes the market contributes almost nothing to the finances of the Council. Given the entrepreneurial flare within the PACT organisation it is reasonable to expect that the performance of the market could be enhanced, and therefore its contribution to the economic vitality of Pewsey, if it was managed locally rather than by Kennet. Were this to be the case two objectives would be achieved, the improved financial sustainability of PACT and the improved performance of the market.

The same argument also applies in respect of the Ludgershall Market. That performs even less well than the market at Pewsey, with gross income of £1,050 per annum. Here too, the opportunity to transfer the market to local control would be potentially beneficial.

10. Conclusions and Recommendations

An opportunity has arisen in Pewsey for the Council to achieve a significant capital receipt from its land interests in Pewsey, and to receive a piece of land to be used for community purposes.

That opportunity should be taken, as a means of helping to fund capital investment in the Council's corporate infrastructure and to benefit the Pewsey Community Area by investing in Pewsey as a local service centre in accordance with the Council's Adopted Local Plan.

There is also a cost-effective revenue initiative demanding no capital investment that could also improve the economic vitality of Pewsey, the transfer of the Pewsey Market to PACT.

It is therefore **RECOMMENDED THAT:**

- 1. Delegated authority is granted to the Director of Community Services in consultation with the Director of Resources to negotiate the disposal of the Council's interests in land at Broomcroft Road, Pewsey.**

- 2. The first £450,000 of any capital receipt arising from the disposal is applied in the first instance in support of the Council's adopted capital programme.**
- 3. Any receipts in excess of £450,000 are set aside for investment in Pewsey on schemes that the Council judges will further its corporate objectives and help to maintain Pewsey as a local service centre for the Pewsey Community Area.**
- 4. Delegated authority is given to the Director of Resources to negotiate the transfer of the Pewsey market from the Council to the Pewsey Area Community Trust.**
- 5. Delegated authority is given to the Director of Resources to negotiate the transfer of the Ludgershall market to the Tidworth Development Trust.**

Director of Resources

Appendix B

Local Plan Policies for Pewsey

Housing

Policy HC17. The local plan allocates land for housing on a 3.7 ha site at Pewsey Hospital as shown on Inset map 7. Development of this site should respect the setting of the adjacent listed buildings.

Policy HC19. Broomcroft Road/Avonside Area. The Local Plan allocates land for mixed uses, including housing on a 1.2 ha site at Broomcroft Road/Avonside as shown in Inset Map 8. Development of this site should:

- a) include a variety of uses, including leisure, retail and residential, which complement the role of the existing town centre; and
- b) provide an extension to the riverside walk between the Market Place and Broomcroft Road.

Economic Development

Policy ED5. Marlborough Road Pewsey. The Plan proposes 1.66 ha of land for employment purposes in Pewsey to the south of Marlborough Road, between Pewsey Hospital and the railway line, as indicated on Inset Map 7.

Policy ED23. Vitality of Service Centres. The service centres for Ludgershall, Market Lavington, Pewsey, and Tidworth are defined in the Inset Maps. Within these areas planning permission will be granted for the change of use of alteration of ground floor retail premises where it can be shown that the development will enhance the Centre's role by providing an improvement to the range and level of services and facilities available.

Policy ED24 New Development in Service Centres. The service centres for Ludgershall, Market Lavington, Pewsey, and Tidworth are defined in the Inset Maps. Within these areas planning permission will be granted for new shops and services or extensions to new shops or services provided that service arrangements are adequate.

Tourism, Recreation and the Arts

Policy TR14 Hotels/Conference Facilities in Devizes, Marlborough, Tidworth and Pewsey. Proposals for hotel accommodation and conference facilities within, or on the edge of the Limits of Development defined for Devizes, Marlborough, Tidworth and Pewsey will be permitted provided that the development respects the character of the landscape, in accordance with Policy NR7.

