

Bath & North East Somerset Council		
DECISION MAKER:	Cllr Patrick Anketell-Jones, Cabinet Member for Economic Development	
DECISION DATE:	On or after 01 July 2015	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2775
TITLE:	Bath Business Improvement District - Proposal for Renewal Ballot	
WARD:	Abbey, Kingsmead	
AN OPEN PUBLIC ITEM		
<p>List of attachments to this report:</p> <p>Appendix 1 – The Bath Business Improvement District Proposal 2016-2021</p> <p>Appendix 2 – Draft Operating Agreement</p> <p>Appendix 3 – Draft Baseline Agreement</p>		

1 THE ISSUE

- 1.1 The Bath Business Improvement District (BID) Company has sent the Council Notice of Request to hold a renewal ballot in October 2015, which if successful would allow the Bath BID Company to levy an additional charge on businesses within the BID area for a further five years (2016-2021).
- 1.2 According to the BID Regulations (2004), the Council now has a duty to ensure that the Bath BID Company's proposal for a new five year term meets the requirements set out in the BID Regulations before the proposal is put to a business vote in October 2015.

2 RECOMMENDATION

The Cabinet member is asked to agree that:

- 2.1 The Bath BID Company's new BID Proposal (2016-2021) is formally endorsed, as it does not conflict with Council plans and strategies (paragraphs 5.15 to 5.17), meets regulatory requirements (paragraphs 5.18 and 5.19), and the Bath BID Company has undertaken a satisfactory level of consultation with local stakeholders (see page 10 in Appendix 1).

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 If successful at ballot, the Bath Business Improvement District will raise roughly £3m in levy contributions over a five year BID term for the Bath BID Company.
- 3.2 In addition to levy income, the BID is likely to attract further voluntary financial and in-kind contributions from the private sector (including local landlords) and other partners and stakeholders. During the Bath BID's first five year term, an additional £490,000 was raised in voluntary contributions, making a total extra investment in City centre management activities of almost £3.5m between 2011 and 2016.
- 3.3 The Council has agreed to make an annual voluntary contribution to the BID Company of £36,000 by covering the cost of collecting the levy.
- 3.4 This cost will be offset by the withdrawal of other voluntary contributions to the BID Company, and to non-statutory activities within the City Centre, which reflects the Council's need to make savings across all services as a result of significant and continuing cuts to the Council's government grant.
- 3.5 The Council is committed to making a saving of £62,000 by withdrawing funding for taxi marshalling, and the BID Manager's post. The Council also has an aspiration to achieve further savings of at least £112,000 by reviewing its contribution towards Christmas Lights, and the way in which local events management and the CCTV system is resourced. Therefore the Council intends to make a net saving of at least £26,000 with further savings to be confirmed.
- 3.6 The new baseline agreement, to be signed by the Bath BID Company and the Council, (see paragraph 5.20) will reflect the Council's position as described in 3.5.
- 3.7 It is currently estimated that the Council, as a non-domestic ratepayer with properties within the BID area, will be liable for roughly £40,000 in annual BID levy payments. This cost will continue to be met from existing budgets. *[this amount is based on the Non Domestic Rates List at the time of billing. The BID area can be found in Appendix 1].*

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 Councils have the power to address the economic, environmental and social wellbeing of their area. The Economic Strategy for Bath and North East Somerset Review (2014) refers to the importance of the BID's role in supporting the businesses in Bath city centre by strengthening the city's position and success.

5 THE REPORT

What is a BID?

- 5.1 A Business Improvement District (BID) is a defined geographical area, within which rate-paying business tenants pay a compulsory levy towards targeted projects and services which will improve that area. The BID levy is additional to business rate payments.
- 5.2 A BID is established if businesses which would be eligible for the levy (as set out in the proposal) have approved at ballot a proposal which outlines the amount of

levy to be charged, and the additional services and projects to be provided within the BID area by that funding.

5.3 A BID can operate for a maximum of five years before business approval must be sought for a new five-year BID term in a renewal ballot.

About the Bath BID Company and its first BID term 2011-2016

5.4 A proposal to establish a BID in Bath for a term of five years was approved in a business ballot in October 2010. The Bath BID Company was set up to run the new Business Improvement District on behalf of businesses within the BID area.

5.5 The Bath BID Company is independent of the Council and represents around 650 businesses within the BID area. It is run by a Board of Directors, mostly comprised of representatives from the levy-paying business community. The Board also includes representation from the Council.

5.6 As stated above, the Bath BID Company has raised roughly £490,000 in additional funding for City centre activities over its first five year period.

5.7 The Bath BID Company has been focusing on three themes of work:

- *Managing* – ensuring that Bath City centre is a clean, pleasant and well-managed space for employees, visitors and residents. BID-funded services have included a Rangers scheme to identify and deal with cleanliness issues, a taxi marshalling scheme, and extra street cleaning services.
- *Promoting* – working with partners such as Bath Tourism Plus to create greater footfall and spend in the City, particularly at quieter times of the year. The BID organises the Bath Feast and Bath in Fashion week. The BID's work with Bath Tourism Plus will ensure that marketing spend is efficient, effective and targeted, and that duplication of effort and spend is eradicated.
- *Saving* – helping businesses to come together to make savings on their waste and energy spending and securing joint working where beneficial.

5.8 Some key achievements over the past five years of BID operations include:

- BID Rangers – a responsive team of five rangers helping to keep our World Heritage City clean. Their work has included spending over 700 additional hours removing chewing gum.
- Night and Taxi-Marshalling scheme – taxi marshalling provided on Thursday, Friday and Saturday nights until 4a.m. This service has considerably eased the pressure on local emergency services. 80% of local incidents are dealt with by the BID with only 20% needing medical or police attendance.
- Driving footfall to the City – the BID has collaborated with Bath Tourism Plus to create an events programme to support local traders, including The Great Bath Feast, and Bath in Fashion.

The new Bath BID proposal 2016-2021

5.9 The Bath BID Company will complete its first five-year term at the end of March 2016, and is therefore required to seek business approval to continue operations for a further five years (2016-2021).

- 5.10 The Bath BID Company must produce a new proposal document, which sets out the proposed levy charge, projects and services on which the levy will be spent, and how the BID Company will be managed. This proposal will be put to a business ballot (called a “renewal” ballot) in October 2015.
- 5.11 The new Bath BID proposal and business plan (2016-2021) is attached at Appendix 1.
- 5.12 The annual BID levy charge will continue to be 1% of the rateable value of eligible properties within the BID boundary.
- 5.13 The proposal shows that the Bath BID Company intends to focus on the themes of Managing, Promoting and Saving, as consultation with levy-paying businesses has demonstrated good support for those projects and services.
- 5.14 New projects will include a Welcome Host programme which will help to inform and direct shoppers and visitors to the City, helping to improve spend; and creating new events to enliven different parts of the City.

Council priorities

- 5.15 The new BID proposal supports the following Council objectives in particular:

- *Creating neighbourhoods where people are proud to live*

Additional projects paid for by the private sector in Bath City Centre through the BID process have helped to ensure that Bath city centre is a welcoming, clean and safe environment for residents, visitors and workers. The new five-year proposal attached at Appendix 1 includes plans to continue the additional deep cleaning of city centre streets, the popular Ranger service, and the Taxi marshalling service.

- *Building a stronger economy*

The Economic Strategy for Bath and North East Somerset 2010-2026 and the Economic Strategy Review (2014) both place an emphasis on the role that the Bath Business Improvement District can play in helping businesses based in our City Centre succeed and grow. For example, the BID’s work to promote local businesses and the management of events such as the Bath Feast has improved footfall in the City Centre. The new business plan and proposal seeks to continue and extend this work through organising events in different parts of the city and by developing the early evening economy to increase spend within the city.

- 5.16 Businesses based outside of the BID, on the fringes of the BID area, or those with premises too small to pay the BID levy, are able to access BID services (such as marketing and promotional activity) by paying a voluntary contribution towards the BID Company. So far, 74 of these businesses are making voluntary contributions to BID activities. The BID Company intends to continue to promote this voluntary contribution arrangement, and proactively work with non-levying paying businesses to ensure that maximum benefit is brought to all traders in the city centre. The BID Company is also working alongside Economy and Culture officers on mechanisms to extend BID support activities and expert advice to businesses in the Market Towns.
- 5.17 The following is a list of all relevant Bath and North East Somerset Council strategies relevant to the new Bath BID proposal. The checklist states that the proposal does not conflict with any of the following plans that the Council has for the Bath BID area.

Key Strategy	Conflict?
The Core Strategy	No
Placemaking Plan (in draft at time of writing)	No
Economic Strategy for Bath and North East Somerset 2010-2026 (and review 2014)	No
Bath Transport Strategy	No
Public Realm and Movement strategy	No
Health and Wellbeing Strategy	No
Creative and Cultural Strategy	No

Adherence to Business Improvement District Regulations (2004)

5.18 The Council is required to ensure that the new BID proposal and business plan contains all the information required by Schedule 1 of the Business Improvement District Regulations (2004).

5.19 The BID proposal meets all the requirements in Schedule 1 of the Business Improvement District Regulations (2004). It includes:

- The core themes and the projects and services to be provided within those themes. These themes are (i) Managing, (ii) Promoting, and (iii) Saving;
- The anticipated BID business plan and budget, including details of income, expenditure on the stated themes, and the amount to be spent on BID Company overheads;
- A map of the proposed BID area;
- Details of how the BID levy is to be calculated, which businesses are eligible to pay the levy, details of any reliefs on the BID levy, and how the BID levy is to be collected;
- The anticipated commencement date of the BID and the length of the BID arrangements;
- A summary of the consultation undertaken with businesses based within the BID area;
- The financial management arrangements of the BID, and BID steering group structure and representation;
- Details of the ballot timetable.

Baseline agreement

- 5.20 The Bath BID Company is also required to provide voters in the Bath BID renewal ballot with a statement of existing baseline services provided by the Council. This helps to ensure that services and projects paid for through BID levy funding are additional and do not replace services normally provided by the Council.
- 5.21 The draft Operating Agreement between the Bath BID Company and Council is attached at Appendix 2, which covers the mechanisms through which the levy will be collected by the Council on behalf of the BID Company.
- 5.22 The draft Baseline Agreement between the Bath BID Company and Council is attached at Appendix 3, which states the statutory and non-statutory services provided by the Council within the BID area.
- 5.23 The Baseline Agreement will be finalised and signed by the Bath BID Company and the Council before Notice of Ballot is sent to business voters on 17th September 2015.

Consultation undertaken on Bath BID Renewal Proposals

- 5.24 A summary of the consultation process undertaken with businesses by the Bath BID Company can be found in the BID proposal at Appendix 1, page 10. The BID has encouraged all businesses to complete a survey and provide feedback on the BID's services provided from 2011-2016, and give their thoughts on which new services and projects they would like to see. 38% of levy-paying businesses responded to the survey. Businesses strongly supported the continuation of the Ranger, Taxi marshalling and Trade Waste schemes.
- 5.25 The Bath BID Company has been liaising with the Economy and Culture team, which has acted as a conduit for consultation with services across the Council, including Environmental Services and Customer Services, and other teams relevant to the baseline agreement, for example the Council's events team.

6 RATIONALE

- 6.1 The Bath Business Improvement District proposal 2016-2021 meets all the requirements set out in Schedule 1 of the BID Regulations (2004).
- 6.2 The proposal does not conflict with any local strategies or policies.
- 6.3 The Bath BID Company has made extensive efforts to consult with the business community within the BID area and has reflected business feedback in its new proposal document. The Bath BID Company has also consulted with relevant Council teams.

7 OTHER OPTIONS CONSIDERED

- 7.1 None.

8 CONSULTATION

- 8.1 The Bath Business Improvement District; environmental, events, policy and strategy, legal and finance teams within the Council.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

Contact person	Helen Moore
Background papers	Bath BID Company Annual Review 2014 (available at www.bathbid.co.uk)
Please contact the report author if you need to access this report in an alternative format	