

Bath & North East Somerset Council

DECISION MAKER:	Cllr Terry Gazzard Cabinet Member for Development & Regeneration	
DECISION DATE:	On or after 4th September 2010	PAPER NUMBER 1
TITLE:	Bath Business Improvement District - Final Proposal for Ballot	EXECUTIVE FORWARD PLAN REFERENCE: E 2169
WARD:	Abbey, Kingsmead	

AN OPEN PUBLIC ITEM

List of attachments to this report:

- Appendix 1 – The Bath Business Improvement District proposal
- Appendix 2 – Business consultation report
- Appendix 3 – Draft Baseline Agreement
- Appendix 4 – Draft Operating Agreement

1 THE ISSUE

- 1.1 Future Bath Plus has proposed a Business Improvement District (BID) for Bath City Centre. Future Bath Plus wish to proceed with a business ballot on the BID proposal in October 2010, with notice of ballot being sent in September 2010.
- 1.2 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 commercial area. The BID levy is additional to business rate payments.
- 1.3 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 by that funding.
- 1.4 The setting up of a Business Improvement District is one of the actions recommended by the Retail Strategy document, and an action set out in the Economic Strategy for Bath and North East Somerset, which was endorsed by the Council in March 2010.
- 1.5 When a BID is proposed for an area, the Local Authority has a responsibility to ensure that:
 - (1) the proposal contains the information as required in BID Regulations (2004)
 - (2) the BID proposal does not conflict with any of its strategies and plans for that area.
 - (3) that the BID proposer has undertaken a satisfactory level of consultation with the relevant business community.

- 1.6 The local authority must also sign a baseline services agreement with the BID proposer, which sets out the standard services provided by the local authority within the BID area.
- 1.7 The local authority must also sign an operating agreement with the BID proposer, which governs the process for collecting the levy.

2 RECOMMENDATIONS

The Cabinet member is asked to agree that:

- 2.1 The Business Improvement District proposal by Future Bath Plus is formally endorsed, as it meets regulatory requirements (paragraph 5.1), does not conflict with Council plans and strategies (paragraphs 5.2 to 5.4), and the proposers have undertaken a satisfactory level of consultation (paragraphs 5.5 and 5.6).
- 2.2 That the relevant Strategic Directors continue to negotiate the baseline and operating agreements, and these agreements are then signed by the relevant Strategic Directors in consultation with the Cabinet members for Development and Regeneration and Customer Services.

3 FINANCIAL IMPLICATIONS

- 3.1 A Business Improvement District in Bath City Centre could raise roughly £600,000 per annum from the private sector for improvements to the City Centre, making a total additional investment of £3.5m over a 5-year BID period (this figure includes any additional voluntary contributions from business).
- 3.2 It is currently estimated that the Council will be liable for between £20,000 and £25,000 in annual BID levy payments. This cost will be met from existing budgets. *[NB at time of writing, the final chargeable hereditament list was not available – see map in Appendix 1 for the BID boundary.]*

4 CORPORATE PRIORITIES

- 4.1 If a proposal is passed by businesses in a ballot, levy payments made by eligible commercial ratepayers towards a Business Improvement District fund (including the Council) would help to improve the management and appearance of Bath city centre, benefiting residents, workers, and businesses across all sectors. These improvements will also help to attract more businesses and jobs into Bath city centre. The BID proposal reflects the following corporate priorities:

- *Building communities where people feel safe and secure*

Additional projects paid for by the private sector in Bath City Centre through the BID process will help to ensure Bath city centre is a welcoming, safe environment during the evening. The BID proposal includes support for continuing and extending existing Pubwatch, Knightwatch and Street Marshall schemes.

- *Improving life chances of disadvantaged teenagers and young people*

Additional projects paid for by the private sector will help to increase the attractiveness of the city centre to business (both in terms of information and support, and improvements to the physical environment), which should in turn help to improve the numbers of jobs available in the District.

- *Sustainable growth*

A Business Improvement District will help to provide additional support for the management of the City Centre, in particular any side-effects of changes in use of public spaces (for example, providing rapid response cleaning teams, and helping to

manage the effects of the night-time economy such as anti-social behaviour). The annual compulsory payment towards the BID fund is a more equitable and sustainable means of raising finance for city centre management.

- *Addressing the causes and effects of Climate Change*

The BID proposal includes a project to consolidate and improve business waste collections within the city centre, in order to reduce the amount of waste management traffic. It is also proposed that a collective business recycling service is created.

- *Improving transport and the public realm*

The BID proposal includes a recommendation to offer limited parking promotions to make it cheaper and easier to park in the city centre, particularly at times of major events. The BID would also provide a dedicated “rapid response street team” to help deal with litter and other street cleaning and waste issues. The BID would also pay for marketing campaigns and literature to help visitors and tourists navigate around the city.

5 THE REPORT

The BID proposal document

5.1 The BID proposal, as provided by Future Bath Plus as BID proposer, can be found in Appendix 1. The BID proposal meets all the requirements as set out in Schedule 1 of the Business Improvement District Regulations (2004). It includes:

- (1) The core themes and the projects and services to be provided within those themes. These are (i) Managing, (ii) Promoting, and (iii) Saving.
- (2) 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;
- (3) The anticipated BID business plan and budget, including details of income, expenditure on the stated themes, and the amount spend on projects and services, and the amount to be spent on BID Company overheads;
- (4) The anticipated commencement date of the BID and the length of the BID arrangements;
- (5) The financial management arrangements of the BID, and BID steering group structure and representation. It is proposed that BID work will be managed by a BID steering group, which will become a subgroup of the existing Future Bath Plus Company.
- (6) Details of the ballot timetable.

Policy implications

5.2 The following is a list of all relevant Bath and North East Somerset policies and strategies relevant to the Future Bath Plus BID proposal. The checklist states that the proposal does not conflict with any of the following policies or plans that the Council has for the Bath BID area.

5.3 As set out in paragraph 4, the BID proposal will complement and strengthen the Council’s work towards meetings its corporate priorities.

5.4 As well as sitting on the Future Bath Plus Board, Bath and North East Somerset Council will also be able to take up a place on the steering group which will

oversee BID funding and projects. The Council will have full involvement and sight of development of individual projects.

B&NES Policy / Strategy	Conflict?
The B&NES Core Strategy	No
The Local Development Framework	No
Sustainable Community Strategy	No
Economic Strategy for Bath and North East Somerset 2010-2026	No
Public Realm and Movement Strategy	No
Joint Local Transport Plan 2	No
Joint Local Transport Plan 3 (not adopted at time of writing)	No
Cultural Strategy	No
Destination Management Plan	No

Consultation undertaken by the BID proposer

- 5.5 A summary of the consultation process undertaken with businesses by Future Bath Plus can be found at Appendix 2.
- 5.6 Future Bath Plus (the City Centre Management team) has been liaising with the Economic, Enterprise and Business Support team within Development and Regeneration throughout the BID development process. The Principle Economic and Enterprise Officer has acted as a conduit for consultation with relevant Council officers and councillors. Meetings have been held between the city centre management team and the Council's Revenues and Benefits team, the Council's Electoral team, and the Council's Environment Services team.

Baseline and operating agreements

- 5.7 **Baseline agreement** - The Council is required to state and agree with Future Bath Plus which services the Council currently provides within the BID area, so that BID services are additional services. These details are set down in a baseline agreement. Relevant Council officers, including Strategic Directors, have been negotiating this agreement with Future Bath Plus and a draft copy can be found at Appendix 3 for information.
- 5.8 **Operating agreement** – The Council is responsible for collecting the BID levy from eligible businesses and passing funds to Future Bath Plus. An agreement with Future Bath Plus governing this process is currently being drafted by relevant officers, including Strategic Directors. A draft copy can be found at Appendix 4 for information.

6 RISK MANAGEMENT

- 6.1 The report author and Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.

7 EQUALITIES

7.1 The Council is not required by regulations to consider equal opportunities as part of its sign-off of the BID proposal.

8 RATIONALE

8.1 Without formal sign-off from the Council on the BID proposal, Future Bath Plus cannot take their proposal to a business ballot. The role of the Council is to ensure that sufficient consultation has occurred, that the proposal does not conflict with any Council policies or plans, and the proposal meets the expectations of the BID Regulations. The business community will be able to decide at ballot whether or not to introduce a compulsory levy, based on the details contained within the proposal.

9 OTHER OPTIONS CONSIDERED

9.1 None.

10 CONSULTATION

10.1 Ward Councillor; Cabinet members; Other B&NES Services; Service Users; Stakeholders/Partners; Section 151 Finance Officer; Chief Executive; Monitoring Officer

11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 Customer Focus; Sustainability; Property; Corporate.

12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Council Solicitor) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

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Background papers	-
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