

Chichester District Council

OVERVIEW AND SCRUTINY COMMITTEE

5 July 2016

Chichester City Centre Management - Renewal of Chichester BID

1. Contacts

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2. Recommendation

- 2.1. **The committee is requested to review the 'Renewal Business Proposal' prepared by Chichester Business Improvement District (BID) and to make recommendations to Cabinet regarding the future support for the BID.**

3. Background

- 3.1. BIDs are business led partnerships operating within a defined area, in which a levy is charged on all business rate payers to fund projects and services which will benefit the BID levy paying businesses. BIDs are created through a ballot process whereby levy-rate payers vote to determine whether the BID goes ahead. The maximum period that a BID levy can be charged is 5 years. Once the term is completed the BID will automatically cease. However, if it wishes to continue its activities it can hold a new ballot to renew the BID for a further five years. The local authority covering the BID area manages the ballot process. A successful vote is one that has a simple majority both in votes cast and in rateable value of votes cast.
- 3.2. In 2011, Cabinet (Executive Board) agreed to support the establishment of a City Centre BID. Members will be aware that, following a successful ballot, Chichester BID was established from April 2012, with all BID levy payers paying a levy of 1% of their rateable value. The BID is now established as a community interest company - Chichester City Centre Partnership CIC – trading as Chichester BID. The Council's Cabinet Member for Commercial Services has a seat on the board.
- 3.3. Chichester BID is one of over 200 BIDs in place across the country. As it nears the end of its five-year term, Chichester BID wishes to continue. Accordingly it has undertaken extensive consultation with BID levy payers and has prepared a business plan and it's Renewal Business Proposal (see Appendix 1) for the next five years.
- 3.4. Each year, over the past four years, the committee has received a report detailing progress against their Business Plan. Since 2012, Chichester BID has provided increased marketing and promotion of the City Centre and improvements to its physical organisation and general safety and security, through:
- Christmas lights and festivities

- Events support for BID members and local authorities
- City way-finding, side street and public realm improvements
- Flags and national celebration events
- Crime reduction and improved safety through ChiBAC
- Comprehensive footfall, retail and city performance measurement
- Member website, support and business directory
- Advocacy for change and improvement in the organization of the City

The BID did not achieve everything it set out to do in its first term, but has delivered a number of successful projects. It has learnt a lot and, for its second term, proposes to build on those successes. Further details of the BID's successes and lessons learnt are included in their Renewal Business Proposal in Appendix one.

4. BID Renewal

- 4.1. The BID has undertaken a good deal of research and consultation with BID levy payers, with the Council and with other relevant bodies to develop its plans for the next five years. Full details of its research and consultation are attached at Appendices 2 and 3. The BID is proposing to be far more proactive and will focus on:
 - Strategic partnerships with CDC, the Chamber and Visit Chichester
 - Improved communications and advocacy on behalf of businesses
 - Marketing and events across the year
 - Developing the City's visitor economy
 - Better support to businesses through data provision and other activity
 - Public realm improvements and city centre safety
- 4.2. To achieve a greater emphasis on marketing the City and developing the visitor economy, the BID propose to increase the levy on the business community by 0.25% to 1.25%. This additional funding will be ring-fenced for these purposes.
- 4.3. The establishment and continuation of the BID supports Objective 3 under the Economy section of the Corporate Plan, i.e. Promote the city and town centres as vibrant places to do business. The BID's Renewal Business Proposal is in line with the Council's strategic objectives, and complements our emerging strategy for the visitor economy and the Chichester Vision.
- 4.4. There are 796 hereditaments within the BID area which are owned and/or controlled by 450 businesses who are eligible to vote. 120 businesses have been visited to date by the BID renewal team. So far, the majority have confirmed they will vote 'Yes', although more work needs to be done to ensure a positive vote to renewal for a further five years.
- 4.5. If the BID is approved, £1.57 million over five years will be available to deliver the administration of the BID and a programme of events, partnership working, public realm improvements, marketing, co-ordination, and safety initiatives. If the BID is unsuccessful a number of functions carried-out by the BID in the City Centre are likely to cease (as indicated in 6.6 below).

- 4.6. The current BID Chairman (who will be standing down in March 2017) and the Chairman elect will both attend the meeting to answer the committee's questions.

5. Outcomes to be Achieved

The BIDs Renewal Business Proposal (Appendix one) seeks to achieve a number of outcomes which can be summarised as follows:

- 5.1. Improved partnership working with local authorities, local services, business groups, community organisations, City Centre businesses and external agencies
- 5.2. Increased profile nationally, higher footfall across the year, and increased consumer spend in the City
- 5.3. A better organised, better maintained and safer City
- 5.4. Chichester is attractive as a key place to do business
- 5.5. The continuation of a sustainable fund that will deliver support and improvements to Chichester City Centre and all its users

6. Resource and legal implications

- 6.1. The legislative framework under which Business Improvement Districts are established, renewed and governed is contained in Part 4 of Local Government Act 2003 and The Business Improvement Districts (England) Regulations 2004.
- 6.2. The Council has been working with the BID on the procedure for renewal. Under the regulations, the Council as 'relevant billing authority' is responsible for instructing the 'Ballot Holder' to hold the renewal ballot. The Ballot holder is *"the person the relevant billing authority has appointed under section 35 of the Representation of the People Act 1983(a) as the returning officer for elections to that authority"*.
- 6.3. The BID is proposing the following timescale, although this will be for the Ballot Holder to determine:
 - 14 September - Notice of the ballot from the Ballot Holder to the Levy Payers
 - 3 October - Ballot papers sent out to eligible voters
 - 21 October - Deadline for appointments of proxy
 - 3 November - Ballot Day: voting closes at 5pm
 - 4 November - Ballot count and announcement of the result
- 6.4. For the BID to proceed to another term, more than 50% of those who vote must vote 'Yes'. Of those positive votes, the total rateable value must be higher, when added together, than the rateable value of those who voted 'No'. If a 'Yes' vote is secured, all businesses within the BID levy geographical area are legally obliged to pay the BID levy for the next five year BID term.
- 6.5. Once the BID is in place neither the BID area nor the BID levy percentage can be altered during the BID Term, without an Alteration Ballot.

- 6.6. In the event that the result of the Ballot is negative, the BID will cease from 31st March 2017. A number of City Centre management, organisational and promotional functions would potentially cease or re-allocated to other bodies. Such items may include Christmas lights and festivities, events and promotions, ChiBac and city centre safety, advocacy and support to businesses. In addition the proposed activities listed in 4.1 will not be able to be delivered by the BID.
- 6.7. A 'Yes' vote will require the Council to pay an annual levy of £10,352 (at current rates and as a non-domestic ratepayer in its own right). This will be a small increase on the current levy of £8,281 in the Council's revenue budget.
- 6.8. The Council's Ballot Holder (The Chief Executive) will be required to conduct the ballot.

7. Consultation

- 7.1. Since its inception, the BID has developed a programme of communication and consultation with BID levy payers, the local authorities and other bodies. The BID's work is reviewed at the Council's Overview and Scrutiny Committee each year.
- 7.2. The Economic Development Service is supportive of the BID's objectives and to better understand the issues faced in delivering these, the Council's Economic Development Manager meets with the Chairman of the BID on a bi-monthly basis. Additionally, our Business Support Officers regularly liaise with and assist BID personnel.
- 7.3. In seeking to renew for a further five years, the BID has carried out extensive consultations with BID levy payers. Full detail of this is at Appendices 2 and 3.
- 7.4. The BID will undertake further consultation in the period leading up to the ballot.

8. Appendices

- 8.1. Appendix 1 - Chichester BID Renewal Business Summary – Term 2, 2017-2022
- 8.2. Appendix 2 – Chichester BID Baseline Statements – Term 2, 2017-2022
- 8.3. Appendix 3 - Chichester BID Members Consultation - Term 2, 2017-2022
- 8.4. Appendix 4 – Chichester BID Research - Term 2, 2017-2022

9. Background Papers

None