

Chichester District Council

CABINET

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Chichester City Centre Management - Renewal of Chichester BID

1. Contacts

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2. Executive Summary

Chichester City Centre Business Improvement District (BID) is nearing the end of its five-year term and wishes to seek renewal for a further term of five years. This report sets out the background to the BID, the renewal process and the financial implications, and recommends that Cabinet support the continuation of the BID for a further term.

3. Recommendation

- 3.1. **That the 'Renewal Business Proposal' prepared by Chichester Business Improvement District (BID) be agreed and, accordingly, renewal of the BID for further term of five years be supported.**
- 3.2. **Subject to 3.1, that the Council be recommended to delegate to the Leader the authority to vote in accordance with Cabinet's decision in relation to the ballot to renew the BID.**
- 3.3. **That the Ballot Holder (Chief Executive) be instructed to hold a BID ballot.**

4. Background

- 4.1. 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.

- 4.2. In 2010, the Council's Economic Development Service worked with Chichester Chamber of Commerce and city centre businesses to propose the establishment of a Business Improvement District (BID) for Chichester City Centre. The BID was set up to undertake a programme of beneficial works and services.
- 4.3. In 2011, Cabinet (Executive Board) agreed to support the establishment of a City Centre BID. 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.
- 4.4. 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
- 4.6 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 its Renewal Business Proposal (see Appendix 1) for the next five years. While the BID did not achieve everything it set out to do in its first term, overall it has been a success. 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 at Appendix 1.

5. Proposal

- 5.1. The BID is proposing to be far more proactive in its next term 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
- 5.2. The Cabinet is requested to agree the BID's Renewal Business Proposal (Appendix 1) and accompanying appendices and confirm the Council's support for a further term. 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.
- 5.3. 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.
- 5.4. Cabinet is further requested to
- (a) Note the proposed draft timetable as set out in 8.3 below and, accordingly, to instruct the Ballot Holder (Chief Executive) to hold the Renewal Ballot.
 - (b) Recommend to full Council to delegate to the leader the authority to vote on behalf of the Council in the BID election.

6. Outcomes to be Achieved

- 6.1 The BIDs Renewal Business Proposal (Appendix 1) seeks to achieve a number of outcomes which can be summarised as follows:
- (a) Improved partnership working with local authorities, local services, business groups, community organisations, City Centre businesses and external agencies
 - (b) Increased profile nationally, higher footfall across the year, and increased consumer spend in the City
 - (c) A better organised, better maintained and safer City
 - (d) Chichester is attractive as a key place to do business
 - (e) The continuation of a sustainable fund that will deliver support and improvements to Chichester City Centre and all its users

7. Alternatives that have been considered

- 7.1. Do nothing. This is not appropriate as, under the governing regulations, the Council is required to oversee a renewal ballot and to instruct the Ballot Holder accordingly.
- 7.2. To veto the BID proposals. This is not considered necessary as the BID Renewal Business Proposals do not conflict with any Council policies

- 7.3. Not to support the BID. The Council transferred a number of city centre functions to the BID in 2012. As the BID already carries out these and other activities, and is now proposing to undertake additional activities, this is not considered appropriate.

8. Resource and legal implications

- 8.1. 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.

- 8.2. 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"*. i.e. the Chief Executive

- 8.3. 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

- 8.4. 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.

- 8.5. 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.

- 8.6. Once the BID is in place again for a further term, neither the BID area nor the BID levy percentage can be altered during the BID Term, without an Alteration Ballot.

- 8.7. 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 then need to be stopped 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 above for the next five years will not happen.

- 8.8. 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.
- 8.9. The Council's Ballot Holder, i.e. the Chief Executive, will be required to conduct the ballot.

9. Consultation

- 9.1. 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.
- 9.2. In seeking to renew for a further five years, the BID has carried out extensive consultations with BID levy payers, the Council and other relevant bodies to develop its plans for the next five years (see Appendices 2 and 3).
- 9.3. The BID will undertake further consultation in the period leading up to the ballot.

10. Community impact and corporate risks

- 10.1. If the BID is approved, £1.57 million over five years will be available to deliver the programme of events, partnership working, public realm improvements, marketing, co-ordination, and safety initiatives.
- 10.2. 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. If the BID is unsuccessful a number of functions carried-out by the BID in the City Centre will cease as indicated in 6.5 above.

11. Other Implications

	Yes	No
Crime & Disorder: £170,100 will be invested into crime and safety initiatives over the lifetime of the BID.	X	
Climate Change:		X
Human Rights and Equality Impact:		X
Other (Please specify):		X

12. Appendices

(printed in black and white; available in colour on the Council's website)

12.1. Appendix 1 - Chichester BID Renewal Business Summary – Term 2, 2017-2022

12.2. Appendix 2 – Chichester BID Baseline Statements – Term 2, 2017-2022

12.3. Appendix 3 - Chichester BID Members Consultation - Term 2, 2017-2022

12.4. Appendix 4 – Chichester BID Research - Term 2, 2017-2022

13. Background Papers

None