

# Budget Scrutiny Working Group

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Friday, 19 October 2018

## MINUTES

### Present:

Councillor Jennifer Wheeler (Chair), and Councillors Joanne Beecham, Michael Chalk and Yvonne Smith

### Officers:

Lyndsey Berry and Chris Forrester

### Committee Services Officer:

Jess Bayley

#### 4. TOWN CENTRE PARTNERSHIP - INTERVIEW WITH THE TOWN CENTRE CO-ORDINATOR

Members welcomed the Town Centre Co-ordinator to the meeting and invited her to provide some background information about the work of the Redditch Town Centre Partnership.

Redditch Borough Council had commissioned a Town Centre Strategy in 2008. A number of priority projects had been included in this document, which had included a proposal to introduce a Town Centre Partnership. The Town Centre Co-ordinator had been appointed to help establish the Town Centre Partnership and to co-ordinate their work. Those appointed to the partnership operated in a voluntary capacity. In 2012 the partnership had become a Community Interest Company (CIC) with a board of directors. At this time the partnership had scaled up its activities.

The partnership had worked on a number of projects to date, including a Dragons' Den style initiative called 'Pitch Your Plan' and had provided some funding to local businesses. The main aim of the partnership was to improve the vibrancy of the town centre and to improve linkages outside the Kingfisher Shopping Centre. People from a range of backgrounds sat on the board of the partnership including local Councillors and representatives of local businesses, St Stephen's Church, the company that managed the market and many more.

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Chair

In recent years those involved with the Redditch Town Centre Partnership had realised that it was not doing as much as it could, primarily due to financial constraints. The partnership had worked on various initiatives to raise funding, such as the Redditch Monopoly. The approach of other partnerships to raising money had also been investigated and it was as a result of this that the idea of a Redditch Business Improvement District (BIDs) had first been identified. BIDs were in place in other parts of the country, such as Nottingham and parts of Birmingham such as King's Heath. An external consultant had been commissioned the previous municipal year to investigate the potential to introduce a BID in Redditch. The consultant's findings, together with information about the financial implications of a BID for Redditch Borough Council, would be outlined in a report to the Executive Committee, due to be considered in December 2018. Should the BID be agreed by the partnership a shadow BID Board would be established.

Members were advised that the timelines for the BID were as follows:

- A feasibility study was commissioned in August 2018.
- Some initial groundwork and research had been conducted over subsequent months.
- The aim would be to complete the process by Christmas.
- In January 2019 the partnership would launch a campaign to encourage local businesses to sign up to the BID.
- In March a ballot of local business would take place.

BIDs were legally and geographically defined areas, though in Redditch the BID would reflect the defined area set out in the Borough of Redditch Local Plan No.4. Contributions towards the BID area were collected through a levy and used to implement the actions within the BID Business Plan decided by the businesses. One legal requirement of BIDs was that they could not be used to provide statutory Council services. Typically most Councils had Service Level Agreements (SLAs) with the BID.

Business within the BID area would have an opportunity to vote on whether the BID should be introduced. The BID would be successful if 50 per cent of businesses in the area voted for the BID and if this related to the equivalent of 50 per cent of the rateable value of businesses in the area. Even if businesses voted against the introduction of the BID, if the process was successful all eligible businesses would need to pay their contribution towards the BID. There was a mandatory length of five years for each BID. At the end of that period businesses would need to be balloted again.

On the date of the meeting Officers were working with consultants to prepare a business plan which would be based on the research

that had been undertaken by the external consultants. Should the BID be agreed the businesses within the BID area could decide what to spend the money on.

The levy that would be paid by each business remained to be determined. Currently the proposal was that those businesses with a rateable value of less than £10,000 would not be required to pay the levy. It had been calculated that if all eligible businesses paid a levy of 1.5 per cent this could raise approximately £250,000 per annum. This could be spent on the town centre.

There were some costs attached to establishing the BID. This included the costs of researching and planning a BID through to Ballot stage and the creation of a BID company which would cost £70,000. This would be funded using a mixture of grants, Redditch Town Centre Partnership and the Kingfisher Shopping centre. An initial outlay of £30,000 spent by the Council on the BID could be recouped from the BID funds. If the BID was agreed, the Council would have a statutory responsibility to provide support by collecting the levy and managing the ballot.

The Council would need to be a levy payer; for the Town Hall, Palace Theatre and the market. This was likely to cost the Council approximately £10,000 per annum. There were a number of organisations that would need to pay the highest levy, which would include organisations that might no longer have a branch in Redditch but were paying rent as their lease had not yet come to an end.

As part of their work the consultants had undertaken some initial consultation with organisations that would be affected. Negative responses had only been received from eight per cent of those consulted. Dispensations could be provided for educational establishments so that schools and colleges were not financially penalised. This would need to be considered by the shadow BID board.

The BID process would sit alongside and would complement the town centre regeneration work that was being undertaken through the One Public Estate process. It was possible that, should the BID be agreed, the shadow BID board and then later the final board could act as a consultee for the work on the regeneration of the town centre.

Officers noted that there was a need to be cautious as sometimes the idea of a BID was rejected at the ballot stage. In Kidderminster this had recently happened, but like most areas Kidderminster would be going out to consultation once again. Information about

the impact of BIDs in other parts of the country would be included in the report to the Executive Committee.

At the end of the debate Members agreed that the BID could have a beneficial impact on the vibrancy of the local economy. The group therefore

**RECOMMENDED that**

**the Executive Committee should support the introduction of a Business Improvement District in Redditch town centre.**

**ACTION: the Town Centre Co-ordinator to circulate copies of the feasibility study for the Redditch Business Improvement District (BID).**

The Meeting commenced at 11.00 am  
and closed at 12.12 pm