

**EXECUTIVE  
COMMITTEE**

**11 Dec 2018**

**Business Improvement District**

Relevant Portfolio Holder	Cllr David Bush
Portfolio Holder Consulted	Yes
Relevant Head of Service	Ruth Bamford Head of Planning, Regeneration
Ward(s) Affected	Central and Abbey wards
Ward Councillor(s) Consulted	Yes
Key Decision	Key Decision

**1. SUMMARY OF PROPOSALS**

To provide an update on the progress of a Business improvement District within Redditch Town Centre and to invite participation from the Council as an owner of buildings within the BID area.

**2. RECOMMENDATIONS**

**Members are asked to note:**

- 2.1 Note the receipt of relevant information relating to the proposed Redditch Business Improvement District (Appendix 1 and 2)**
- 2.2 To agree a position on the vote in favour of the BID with regard to the Council's properties in the Town Centre.**

**To delegate authority to the Head of Planning and Regeneration and Portfolio Holder to;**

- a) Exercise the Council's vote in support of the proposed BID in the ballot in respect of properties in the Council's ownership/occupation within the BID area, which will be entitled to cast a vote on the ballot.**

**3. KEY ISSUES**

**3.1 Background**

- 3.2 A Business Improvement District is a legally and geographically defined partnership for area improvement and service delivery, funded by levy paying businesses within that agreed boundary. It is managed and operated by a BID Company – a non-profit company run by and for its members.**

- 3.3 BIDs are business-led initiatives supported by government legislation, which gives local businesses the power to get together, decide what improvements they want to make in their area and how they will manage these. BID's have the power to raise and spend funds locally.
- 3.4 BIDs are typically run as not for profit companies and are controlled by the businesses that fund them. There is no limit on what projects or services can be provided through a Business Improvement District. The only requirement is that it should be something that is in addition to services provided by local authorities. Improvements may include, but are not limited to, extra safety/security, 4rcleansing and environmental measures.
- 3.5 A BID's mandate is for a maximum of five years. A BID wishing to continue beyond that must reaffirm its mandate through re-ballot, based on a further proposal.
- 3.6 The process of developing a BID involves widespread consultation with businesses to ascertain what improvements they want and would be prepared to pay for. A BID proposal is then produced and a 28 day postal ballot held where businesses vote 'for' or 'against' the proposed programme. For the BID to go ahead, two conditions must be met; firstly, a majority of those voting have to vote 'yes' and secondly those 'yes' votes have to correspond to more than 50% of the total rateable value of all votes cast.
- 3.7 The local authority has a statutory responsibility to support the development of BIDs and facilitate their establishment. This includes conducting the ballot and collecting and enforcing the levy. The authority must also confirm that the proposed BID does not conflict with area plans and schemes. If the local authority is of the opinion that the Business Improvement District arrangements are likely to conflict to a significant extent with an existing policy, place a financial burden on rate payers or the burden from the levy is unjust, it can decide to veto the proposals. The local authority can only veto proposals within 14 days from the date of the ballot. If a yes vote is achieved there will be a requirement to ensure the BID body has good governance in place – the activities of the BID body will be scrutinised by the lev payers who fund the BID. In particular the BID will need to ensure the correct arrangements are in place relating to membership of the BID body, board elections and annual reporting mechanisms.
- 3.8 It should be noted that the emerging BID does not conflict with the Local Plan; the Town centre Strategy and other informal area plans and schemes. Indeed the BID would support the work being undertaken by the Redditch Regeneration Board, Safer Redditch and the work of town centre co-ordinator. The BID would also assist in the following Council strategic purposes;

- Help me run a successful business
- Keep my place safe and looking good
- Provide good things for me to see, do and visit
- Provide and support high quality, culturally diverse events and arts activities

### **Financial Implications**

#### **4.0 Statutory Responsibility of the LA**

The Council will be responsible for billing, collection and recovery of the BID levy. This will incur costs in terms of setting up the BID Billing System, which needs to be separate from the main Business Rates billing process. The indicative cost of this is as follows;

Ballot Software	£2,720
Billing Module	£17,320
Services Costs	£5,440
Annual License Fee	£3,464

#### **4.1 Council owned Buildings**

If the BID is successful in securing a majority vote at the proposed ballot, then there will be a cost to the Council during the lifetime of the BID, in respects of properties that it owns within the proposed BID boundary. Based on the initial analysis the total rateable value of properties owned by the Council is just under £523,000, therefore the estimated annual cost to the Council based on a 2% levy is £10,450 per during the lifetime of the BID.

It is now common place for these costs to be recovered from the BID Company and these costs will need to be factored into the BID Business Plan process. This means that in due course costs to the council associated with collecting the BID levy can be recouped.

- 4.2 There will also be costs incurred to the Council for running the ballot which the Returning Officer will be responsible for under the Business Improvement Districts (England) Regulations 2004 ("the Regulations") which can be managed using existing budgets and staff.

### **Legal Implications**

- 4.4 The establishment of a BID requires specific procedures to be followed particularly with regards to the ultimate ballot and these procedures are contained within the Regulations. These procedures will be overseen by the Returning Officer, Solicitor to the Council, Legal Services and Electoral Services.

**Service / Operational Implications**

- 4.5 BIDS are usually proposed by an outside body which in this case is Redditch Town Centre Partnership.

At present the initial findings of the feasibility and planning reports indicate that monies gained from a BID should focus on marketing and events in particular, both for inward investment purposes and perception of the town. This would support work already carried out by the Kingfisher Centre and could provide a collaborative approach between the shopping centre, BID and the Borough Council. This will be explored further as the process continues.

**Customer / Equalities and Diversity Implications**

- 4.6 No EIA required at this stage. The BID company will be required to publish its own Equal Opportunities Policy and ensure that all services take into account reasonable adjustments to meet the needs of all sections of the community.

**5. RISK MANAGEMENT**

**6. APPENDICES**

Appendix 1- Initial Feasibility Report  
Appendix 2- Planning Stage Report  
Appendix 3- RBC Local Plan No 4 Inset map showing TCP & Bid Boundary

**7. BACKGROUND PAPERS**

**8. KEY**

TCP – Town Centre Partnership  
BID – Business Improvement District  
RBC – Redditch Borough Council

**EXECUTIVE  
COMMITTEE**

**11 Dec 2018**

---

**AUTHOR OF REPORT**

Name: Lyndsey Berry

email: [Lyndsey.Berry@bromsgroveandredditch.gov.uk](mailto:Lyndsey.Berry@bromsgroveandredditch.gov.uk)

Tel.: 01527 587002