

# Decision Pathway – Report



**PURPOSE:** Key decision

**MEETING:** Cabinet

**DATE:** 04 July 2023

<b>TITLE</b>	<b>Business Improvement Districts</b>		
<b>Ward(s)</b>	<b>Citywide</b>		
<b>Author:</b> Jason Thorne	<b>Job title:</b> Service Manager - City Centre and High Streets		
<b>Cabinet lead:</b> Cllr Cheney, Cabinet Member for City Economy, Finance and Performance	<b>Executive Director lead:</b> John Smith, Interim Executive Director Growth and Regeneration		
<b>Proposal origin:</b> BCC Staff			
<b>Decision maker:</b> Cabinet Member <b>Decision forum:</b> Cabinet			
<b>Purpose of Report:</b>			
<ol style="list-style-type: none"> <li>1. To provide information on the Business Improvement Districts (BIDs) in Broadmead and Bedminster and to seek the agreement of Cabinet to the proposed BID arrangements (s41 Local Government Act 2003)</li> <li>2. To seek delegated authority for a number of BID related matters</li> <li>3. To approve payment of BID levy income to relevant BID companies</li> <li>4. To note the position of the council as a levy payer within the BIDs, and delegate the voting responsibility to the Chief Executive</li> </ol>			
<b>Evidence Base:</b>			
<ol style="list-style-type: none"> <li>1. Business Improvement Districts (BIDs) are defined geographical areas where local businesses/other occupiers (including public sector bodies such as local authorities) have voted in a ballot to pay an additional levy on their business rates during the course of a fixed term (no longer than five years). The funds raised from the levy enable the BID to deliver projects and activities that must be additional to those provided by a local authority and that fulfil aims and objectives determined in a business plan, developed through a consultation process with potential levy payers prior to a ballot taking place (the business plan also affords the opportunity to highlight a BID's achievements in the build up to a ballot).</li> <li>2. Legislation enabling the formation of BIDs was passed under the Local Government Act 2003, and the Business Improvement Districts (England) Regulations 2004. The council has been involved in BIDs since their inception, with the development of Broadmead BID as one of the country's original ten pilots.</li> <li>3. There are currently 5 BIDs in Bristol: Bedminster, Broadmead, Bristol City Centre, Clifton Village and Redcliffe &amp; Temple. Collectively they raise additional income of over £2,300,000 per annum from around 1,900 hereditaments. See Appendix A (annual levy income for each BID may vary to some extent over the course of a BID term due to factors such as newly developed properties in respective BID areas becoming liable to pay the levy).</li> <li>4. Bedminster and Broadmead BIDs are each going to ballot for a further five year term in September 2023; if successful both will begin their respective new terms on 1 November 2023. Officers within Economic Development (City Centre &amp; High Streets team) and Business Rates team have reviewed the BID renewal proposals for 2023 to 2028 to ensure there are no conflicts with the council's formal adopted policies; checked the financial arrangements to improve transparency and provide greater assurance; and ensured</li> </ol>			

that the levy rules are fair and deliverable. These two BIDs are summarised below:

### **Bedminster**

5. Bedminster BID was established in 2013 and is administered by Bedminster Town Team Ltd, a not-for-profit company. It has strong links with the local community (as demonstrated by the makeup of its board) and is active in the wider regeneration of the Bedminster area (for instance by engaging with developers through the production of a vision document for East Street). Examples of recent activity include support for Bedminster Lantern Parade, a street food festival and a pilot vacant commercial property grant scheme which provided a model for the council's citywide scheme.
6. Business plan themes: TBC (but not anticipated to differ significantly from current themes, which are: arts/culture, marketing, crime/safety, public realm, collective purchasing)  
Number of levy payers: 430 approx  
BID income predicted: £143,000 pa  
Number of BCC properties/BID levy liability: 4/£1,595 pa

### **Broadmead**

7. Broadmead BID is administered by Visit West, the regional Destination Management Organisation (a key strategic partner of the council, which also administers Bristol City Centre and Redcliffe & Temple BIDs) and began its first term in 2005. Over subsequent terms the BID has developed a strong working relationship with the council, and has delivered a range of high profile projects (recent examples include promotional activity such as summer family trails, the installation of energy efficient festive lights and the engagement of a dedicated retail support ranger).
8. Business plan themes: Clean and Welcoming; Addressing Antisocial Issues and Safety; Marketing and Promotion; and Business Support  
Number of levy payers: 270 approx  
BID income predicted: £439,000 pa  
Number of BCC properties/BID levy liability: None

### **Local Authority Role and Responsibilities**

9. BID regulations, supplemented by technical guidance and best practice documentation, set out the role and responsibilities of councils in relation to BID development, revolving around the holding of ballots and the making of BID arrangements that enable the projects to be delivered, in this case, by the relevant BID bodies, and for the financing of those projects by imposing a levy on the non-domestic ratepayers in the respective BID areas.
10. **BID Development** – providing information to inform feasibility and consultation, producing a baseline statement and agreeing the business plan to ensure there are no conflicts with council policies, thereby ensuring a focus on additionality (activities that public authorities aren't delivering or have a statutory duty to provide).
11. **Ballot** – the council has a statutory duty to hold a BID ballot and cover any costs associated with this (as with normal elections), except where less than 20% of the number of persons entitled to vote in the ballot vote in favour and the proposals were not approved in the ballot, in which case the council may require the BID proposer to pay the costs of arranging and holding the ballot.
12. **Income and expenditure of the BID** – the BID levy is ringfenced for expenditure on the additional services provided in the BID. The council is required to keep a BID Revenue account for each BID into which income, whether by the levy or financial contribution, is credited, and from which expenditure, including the cost of collection and sums paid to the respective BID bodies to undertake the works or services, is debited. Budgets will be adjusted to reflect the levy income being passported back out as expenditure in respect of the BIDs to

the BID bodies.

13. The annual billing period in Bristol runs from 1 November to 31 October, and liable businesses are required to pay their levy in one single payment. Non-payment of the levy will result in recovery action which will be taken in accordance with legislation, the council's financial regulations and relevant policies, including the Corporate Debt Policy.
14. **Voting in the Ballot** – the council is entitled to vote in respective ballots (one vote per property/hereditament), provided it is liable for business rates on properties within a BID boundary it is responsible for. For previous BID ballots the Chief Executive has been the named voter on behalf of the council.
15. **BCC as a Levy Payer** – the council must pay the levy for properties/hereditaments within the BID areas as it applies.
16. **Relationship Management** – through the Economic Development team within the council one point of contact for the BIDs has been established, enabling more cohesive relationship management and cooperation between council teams and BIDs.
17. **BID Boards** – oversee and monitor the strategic direction, financial management and performance of a BID. The Boards are made up of representatives of levy payers and various business sectors. Council officers attend BID Board meetings as observers where invited. Some of the BIDs include ward Councillor representation.

#### **Cabinet Member / Officer Recommendations:**

That cabinet:

1. Agree that on receipt of the Bedminster BID and Broadmead BID proposals for the renewal of the proposed BID activity, the Executive Director for Growth and Regeneration in consultation with the Cabinet Member for City Economy, Finance and Performance be given delegated authority to:
  - a) Consider on behalf of the council as billing authority, whether the BID proposals conflict with any formal adopted policy of the council and if they do, give notice of this in accordance with the Business Improvement Districts England Regulations 2004 ("the BID regulations");
  - b) Determine whether the council should support the Bedminster and Broadmead BID proposals by voting yes in the BID ballot. If a no vote is proposed, this will be referred to cabinet for further consideration;
  - c) Formally manage the ballot process in accordance with the BID regulations.
2. Authorise the Chief Executive to exercise voting rights on behalf of the council in BID ballots.
3. Approve expenditure (levy income and financial contributions received) for Bedminster BID of approximately £143,000pa.
4. Approve expenditure (levy income and financial contributions received) for Broadmead BID of approximately £439,000pa.
5. Following a review of procedures, approve levy income and financial contributions received for the Bristol City Centre and Clifton Village BIDs that undertook successful ballots last year and subsequently began respective new terms in November 2022.
6. Authorise the Revenues and Benefits Head of Service to
  - make all decisions related to costs of collection and
  - determine and approve the final levy rules, and
  - agree the terms of Operating Agreements (and signing agreements), and for making any necessary changes as they arise.
7. That subject to a "yes" vote at ballot:
  - a. the council will act as the relevant billing authority and will manage the billing, collection of the levy and financial contributions, and its transfer to Visit West and Bedminster Town Team Ltd;
  - b. the council meet the council's obligations in paying the BID levy, as a non-domestic ratepayer in the BID areas, in accordance with the BID regulations over the life of the BIDs;

c. the council enter into Operating Agreements with both Visit West and Bedminster Town Team Ltd regarding the operation of their respective BIDs.

**Corporate Strategy alignment:**

1. BIDs help deliver priorities:
  - Our Economy and Skills Priorities – supporting local businesses, high streets and the night time economy
  - Community Participation – we want people to live in well-designed neighbourhoods where local high streets are thriving and supporting local economic wealth

**City Benefits:**

1. BIDs foster collaborative working amongst businesses, the public sector and other sectors to improve an area for the benefit of businesses, residents and visitors.
2. BIDs are key partners for delivering the One City Economic Recovery and Renewal Strategy and actions being delivered as part of the City Centre & High Streets Recovery and Renewal programme.

**Consultation Details:**

1. Executive Director, Growth & Regeneration briefed during divisional management team meeting on 18/04/23; paper presented at Growth & Regeneration executive director meeting on 26/04/23; Cabinet Member briefed on 10/05/23

**Background Documents:**

[The Business Improvement Districts \(England\) Regulations 2004 \(legislation.gov.uk\)](https://www.legislation.gov.uk)

<b>Revenue Cost</b>	£1,595 per annum for levy, subject to successful ballot for Bedminster BID  £6,000 estimated one off ballot costs (for Bedminster & Broadmead BIDs)	<b>Source of Revenue Funding</b>	<b>Property (Business Rates related)</b>  Economic Development
<b>Capital Cost</b>	£	<b>Source of Capital Funding</b>	
One off cost <input type="checkbox"/> Ongoing cost <input type="checkbox"/>		Saving Proposal <input type="checkbox"/> Income generation proposal <input type="checkbox"/>	

**Required information to be completed by Financial/Legal/ICT/ HR partners:**

**1. Finance Advice:** This paper provides information/ update on Bristol’s Business Improvement Districts BIDs in Broadmead and Bedminster which are going to ballot to renew for a further 5 years in September 2023 and seeks;

- Agreement of Cabinet for the Proposed BIDs arrangements
- Approve payment of BID levy income to relevant BID companies/administrators
- Note Council’s position as a levy payer within the BIDs and delegate voting authority to chief executive
- Seek delegated authority on BID related matters

The Financial implication of this to the council is £1,595 per year for Levies relating to Council’s properties within the BIDs if the Ballot is successful and estimated one-off Ballot cost of £6,000. There is also non-incremental admin cost associated with Levy collection which have not been identified / quantified in this paper.

The Levy and distribution is to be managed at no detriment to the financial position of the council.

**Finance Business Partner:** Olu Kupoluyi. Finance Business Partner (Resources) 30 May 2023

**2. Legal Advice:** Business Improvement Districts are established pursuant to the powers set out in Section 41 Local Government Act 2003. The report sets out the process, and details the decisions required. Government guidance recommends that BID arrangements between the Local Authorities and the potential BID administrators (i.e. the draft Operator Agreement) should be shared with any BID members who have the right to vote on the inception of the BID, i.e. during the balloting period. This would in effect validate the BID arrangements, by way of consent, by

allowing any BID members who are canvassed to have sight of the proposed BID arrangement when determining how to vote.

**Legal Team Leader:** Eric Andrews, Team Leader – Legal Services, 04 May 2023

**3. Implications on IT:** IT are supportive and available to aid in progressing relevant work and can be engaged through the existing work request process.

**IT Team Leader:** Alex Simpson, Senior Solution Architect – Policy, Strategy and Digital, 21 June 2023

**4. HR Advice:** There are no HR implications evident.

**HR Partner:** Celia Williams, HR Business Partner – Growth and Regeneration, 5 April 2023

<b>EDM Sign-off</b>	John Smith, Interim Executive Director Growth and Regeneration	26 April 2023
<b>Cabinet Member sign-off</b>	Cllr Craig Cheney, Cabinet Member for City Economy, Finance & Performance	10 May 2023
<b>For Key Decisions - Mayor's Office sign-off</b>	Mayor's Office	5 June 2023

<b>Appendix A – Further essential background / detail on the proposal</b>	<b>YES</b>
<b>Appendix B – Details of consultation carried out - internal and external</b>	<b>NO</b>
<b>Appendix C – Summary of any engagement with scrutiny</b>	<b>NO</b>
<b>Appendix D – Risk assessment</b>	<b>YES</b>
<b>Appendix E – Equalities screening / impact assessment of proposal</b>	<b>YES</b>
<b>Appendix F – Eco-impact screening/ impact assessment of proposal</b>	<b>YES</b>
<b>Appendix G – Financial Advice</b>	<b>NO</b>
<b>Appendix H – Legal Advice</b>	<b>NO</b>
<b>Appendix I – Exempt Information</b>	<b>NO</b>
<b>Appendix J – HR advice</b>	<b>NO</b>
<b>Appendix K – ICT</b>	<b>NO</b>
<b>Appendix L – Procurement</b>	<b>NO</b>