



Classification	Item No.
Open	

Meeting:	Cabinet
Meeting date:	15 December 2021
Title of report:	Bury Business Improvement District
Report by:	Cllr Eammon O'Brien – Leader of the Council Cllr Morris – Cabinet Member: Culture and Economy
Decision Type:	Key Decision
Ward(s) to which report relates	Bury East

Executive Summary:

In May 2021, the Bury Town Centre Management Board (BTCMB) voted to re-commence the development of a Business Improvement District (BID) proposal for Bury Town Centre following the suspension of work on the BID due to the pandemic.

A draft BID Business Plan has now been developed by the BID Task Group (made up of town centre stakeholders) and the BID Consultancy (Mosaic Partnerships Ltd) which will be subject to a confidential ballot in March 2022. If a 'Yes' vote is returned this will result in the establishment of a BID company to deliver the BID Business Plan over a period of 5 years.

This report highlights the main elements of the BID Business Plan and sets out the financial implications for the Council as a BID Levy payer, the Council's

administrative role in supporting BID activity and seeks Cabinet approval for the Council to vote to support the proposed Bury BID Business Plan in the ballot.

Recommendation(s)

That Cabinet :

- 1) Approve a 'Yes' vote in the Business Improvement District (BID) ballot.
- 2) Delegate the exercising of the Council's vote to the Monitoring Officer

That, in the event of an overall 'Yes' vote in the BID Ballot:

- 3) Members note the Council's role in the collection of the annual BID levy on behalf of the BID Company.
- 4) Members to instruct the Monitoring Officer to undertake the legal arrangements for the Council to entering into the Operating Agreement between Bury Council and the Bury BID Company.
- 5) Members approve the intention for the Council to be represented on the Bury BID Board of Directors by the Executive Director of Place.

Reasons for the decision:

Town centres across the country have, for a number of years, been facing significant challenges that have eroded high street retailing and its role in underpinning the vitality and economic strength of town centres. The economic impact of the COVID-19 pandemic has led to a significant intensification and acceleration of these challenges, and this is likely to have far-reaching consequences for the economies of town centres across the country, including Bury.

The benefits that a BID would bring to the town centre include:

- Helping to enhance and promote the town centre to visitors, residents and investors by generating additional resources to support activity that would otherwise not be delivered and which would work alongside the Council's own investment in the regeneration programme.
- Helping to deliver key Council ambitions, such as those expressed through the 'Let's Do It' Strategy and the emerging Bury Town Centre Masterplan.
- The establishment of a Town Centre Management function, including a BID Manager and associated staff to provide an onsite resource for businesses and town centre users.

- Enabling formal partnership working between stakeholders in the BID area to support the more effective use of these additional resources.

It is considered that the benefits that the BID will bring to Bury town centre will outweigh the financial cost to the Council.

Other options considered and rejected:

For the Council not to vote in favour of the BID. However, this option has been discounted on the basis that it would not deliver the considerable benefits identified above.

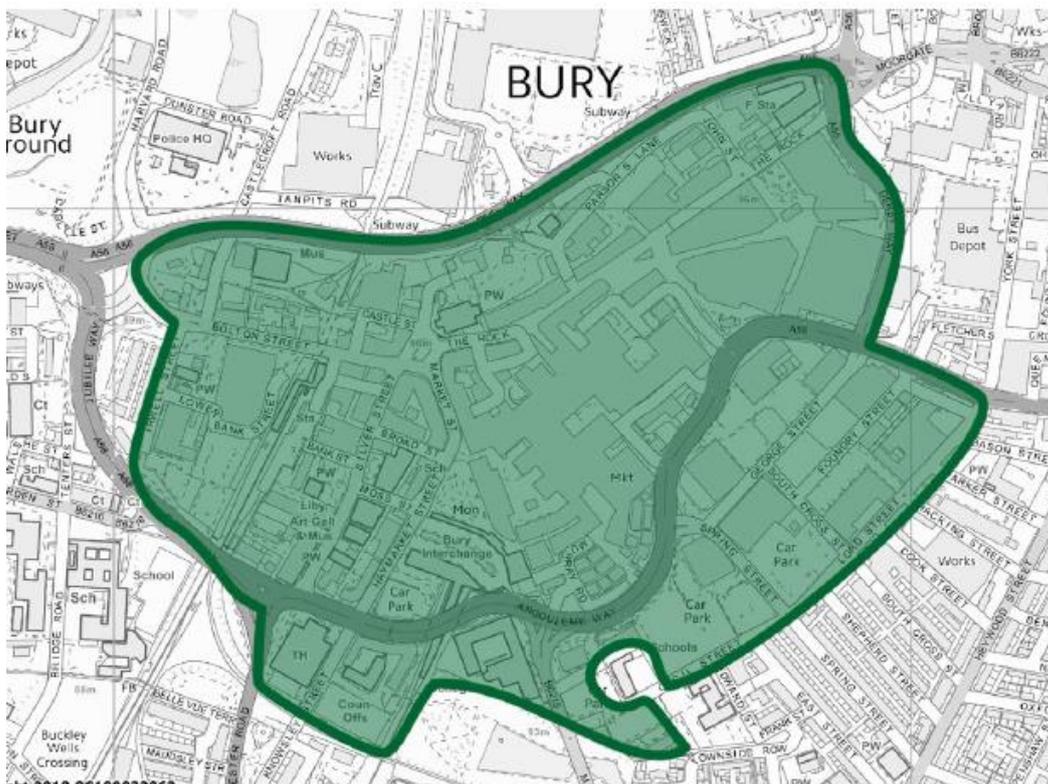
1. BACKGROUND

- 1.1. BIDS were first introduced in England and Wales through the Local Government Act in 2003 and there are over 300 currently operating across the UK. BIDs are business-led initiatives that aim to improve the economic prospects of a defined area through the delivery of short, medium, and long-term projects and initiatives that have been identified in consultation with the local business community.
- 1.2. BIDs are principally financed through a small, compulsory annual levy based on the rateable value of businesses within the defined BID area. Monies secured are ring-fenced to support projects to improve the attractiveness of the town centre (BID area)
- 1.3. Regulations require that BID Funds are spent on new or expanded services and works that are over and above those provided by the local authority and that the proposed activity is set out in a BID Business Plan which acts as a manifesto for the creation of the BID.
- 1.4. Businesses that are eligible for the annual levy are then asked to vote for or against the BID Proposal. The vote is conducted by a confidential postal ballot organised by the local authority. Eligible business premises (or hereditaments) located within the defined BID area will receive one vote per hereditament.
- 1.5. To establish a BID, it is necessary for 51% or more of voting business ratepayers in the proposed area (in terms of both absolute numbers and rateable value) to vote in favour.
- 1.6. Should a 'Yes' vote be returned, a BID Company would be established to deliver the BID proposal. A BID can last up to 5 years and a further successful ballot is required for the BID to continue beyond that.

2. BACKGROUND TO THE BURY BID

In September 2018, the Bury Town Centre Management Board (BTCMB), with support from Bury Council, appointed The Mosaic Partnership Ltd (BID consultancy) to undertake a BID Feasibility Study for the town centre.

- 2.1. Following a period of business engagement and an assessment of business/town centre data it was concluded that a BID could be a viable option and would potentially generate between £348,000 to £425,000 per annum to support business-led activity (based on a BID Levy of 1.5%). BTCMB voted to progress to a full BID proposal with an anticipated ballot date of June 2020.
- 2.2. The Council is a key stakeholder as both a BID levy payer and through a formal administrative role in the BID process and in 2019 Cabinet approved the associated BID costs to the Council (estimated at the time to be £34,000).
- 2.3. The BID would apply to businesses within the area shown on the following plan:



- 2.4. In March 2020 BTCMB took the decision to pause the BID process due to the impact of COVID-19 on Bury businesses. However, the BID development was re-started in May 2021 and a BID Business Plan has now been produced and will be subject to a confidential ballot in March 2022.

3. THE BURY BID BUSINESS PLAN

3.1 The BID Business Plan sets out the proposed BID levy, BID priorities and how the BID will be managed. It has been developed through ongoing engagement with businesses within the defined BID area, which has included:

- regular monthly meetings with the BID Task Group which includes business representatives across a range of sectors and locations;
- Bury BID newsletters sent out to all businesses;
- Business Drop-in sessions;
- Survey completed by 83 local businesses;
- Engagement with 80+ national businesses;
- Face-to-face engagement with over 110 businesses;
- All material and information made available online at www.burybid.co.uk;
and
- Final Business Plan circulated in December 2021.

The BID Levy

3.2 A BID levy (1.5%) will be applied to all businesses within the defined BID area with a rateable value of, or exceeding, £12,000. Businesses with a rateable value of less than £12,000 are exempt. The detail relating to eligibility and wider exemptions will be set out in the BID Business Plan.

3.3 There are currently in excess of 400 eligible businesses in the BID area with a total rateable value of around £26m. If a 'Yes' vote is returned, the levy will generate approximately £400,000 per annum for 5 years i.e., £2m in total.

BID Priorities

3.4 The BID priorities are categorised under a number of themes which respond to the findings of the BID Feasibility Study. These have subsequently been refined and developed through ongoing engagement as set out below.

BID PRIORITIES

Marketing, Promotion and Events:

- Destination and local marketing campaigns to promote the town and BID businesses.
- An annual events programme to raise the profile of the town centre and drive footfall and spend.

Improved Safety & Cleansing:

- Town Centre Ambassadors/Hosts - to provide a town centre presence, deterring shoplifting and antisocial behaviour and promoting the town by welcoming visitors.

Access and Facilities:

- Review of existing wayfinding and signage upgrades.
- Car parking and public transport initiatives.

Business Support:

- An influential lobbying group, working on behalf of businesses
- Provide real support, particularly to small businesses through centralised procurement of services.
- A Town Centre Manager for the BID area acting as one point of contact.

3.5 Performance measurement against these priorities will be carried out at regular intervals and will be reported back to BID levy payers through annual meetings, a group liaison forum, briefings, newsletters, and face-to-face meetings.

4. BID GOVERNANCE AND MANAGEMENT

- 4.1. If the BID ballot is successful, an independent, not-for-profit company, limited by guarantee, will govern the BID. The BID Board of the company will have up to 15 directors made up of representatives of levy paying businesses.

Additional non-levy paying members may be co-opted to the Board, as required.

The BID Board will serve voluntarily (without payment) and will comprise business representatives that reflect the sectoral make-up of the BID area. The Board will be directly accountable to BID levy payers.

- 4.2. Bury Council will have an opportunity to appoint an officer to represent the Council on the BID Board and it is proposed that the Executive Director of Place takes this responsibility.

5. THE BID TIMETABLE

- 5.1. The BID process will follow a formal timetable as set out below

Stage	Date
Notice of Ballot	16 February 2022
Ballot Papers Posted Out	02 March 2022
Close of Ballot	30 March 2022
Declaration of Result	31 March 2022

6. THE COUNCIL'S OBLIGATIONS

- 6.1 The BID legislation requires the local authority to undertake the following activity:

BID Ballot

- The BID ballot, including the cost, is the responsibility of the local authority. A company will be engaged by the council to undertake the BID Ballot service which will include all statutory arrangements and notices.
- Declaration of the results - The Returning Officer, or a nominated individual appointed on their behalf, is required to declare the ballot. It is proposed that the Chief Executive will undertake this role.
- Collection of the BID Levy/Operating Agreement - Under BID legislation the local authority has responsibility for the collection and recovery of the BID levy on an annual basis and this will be undertaken by Business Rates.

An Operating Agreement between the Council and the BID Company sets out the billing date, costs for the levy collection service, details of the BID levy to be charged and agreements around collection of any outstanding monies.

Operating Agreement

6.2 The Council would also be responsible for formalising the Operating Agreement. This will only be formalised should a 'Yes' vote be returned and a BID is established. Key points contained in the Agreement are that:

- All BID monies will be held by the Council and transferred to the BID Company.
- Any operational costs incurred by the Council to undertake these services will be recharged to the BID Management Company. These costs will be recharged in keeping with the government's BID guidance at 3% of the total BID levy income, which is currently estimated to be £12,030 per annum.

6.3 It is proposed that the decision to approve the Operating Agreement is delegated to the Council's Monitoring Officer.

BID Regulations

6.4 Under the BID regulations, the Council has a duty to consider whether the proposals conflict with any formally adopted and published policy of the Council. Officers can confirm that there are not any conflicts in relation to these proposals.

6.5 The Council also needs to satisfy itself that all necessary steps have been undertaken to ensure that the BID proposal is robust and that it has been subject to consultation with businesses. Officers have reviewed the information and agree that the Bury BID proposal has been prepared in accordance with BID regulations.

6.6 The Council will be required to purchase additional BID Levy collection software a cost of up to £20,000 plus an annual licence fee of around £3,300. All these costs will be recharged to the BID Company.

7 COUNCIL BID LEVY PAYMENTS

7.1 The Council will be liable to pay the BID levy on 18 properties in Council ownership with a total rateable value of £2,477,000.00 Based on a BID levy rate of 1.5 %, the annual payment will be £37,157 per annum. A full list of the council-owned properties is shown in Appendix A.

7.2 Should the Council acquire ownership of the Mill Gate Shopping Centre then the annual BID levy payment would increase by an estimated £10,000 (based on data available November 2021) and this would be funded by the Joint Venture Company from rents received.

8 COUNCIL VOTING PROCEDURE

8.1 Bury Council will receive a vote for each eligible property (hereditament) on which the Council pays the business rates which currently equates to 18 votes. It is proposed that the authority to vote in the BID ballot be delegated to the Council's Monitoring Officer.

Community impact/links with Community Strategy

The BID priorities are consistent with the following principles of the Bury 2030 Let's Do It Strategy:

- **Local neighbourhoods** - Enhancement of the town centre environment resulting in improved feelings of safety.
- **Economic Growth and Inclusion** – Increased investment in regeneration and economic activity.
- **Delivering Together** - Increased participation in social and cultural activities.

Equality Impact and considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.*
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.*
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.

Equality Analysis	<i>Please provide a written explanation of the outcome(s) of either conducting an initial or full EA.</i>
An initial screening has been undertaken (available on request) and as there were no negative impacts identified for affected groups, there is no requirement to proceed to a Full Impact Assessment.	

**Please note: Approval of a cabinet report is paused when the 'Equality/Diversity implications' section is left blank and approval will only be considered when this section is completed.*

Assessment of Risk:

The following risks apply to the decision:

Risk / opportunity	Mitigation
The BID process is an opportunity to enable business communities to contribute to the future economic development and recovery of their local areas, helping to regenerate high streets following Covid 19 lockdowns and changes in consumer behaviour. The BID offers an additional resource and increased activity to help retain businesses, increase footfall and attract inward investment that may not otherwise be possible. A lack of support for the BID risks losing the opportunity to engage the local business communities and support the ongoing recovery and success of the town centre, especially when	Support for the BID process

compared with neighbouring centres which are already exploiting this option.	
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Consultation:

Consultation has been undertaken with businesses within the BID area as set out in the report. A further period of engagement will take place in early 2022 as part of the campaign phase and BID ballot phase of the process.

Legal Implications:

S41 of the Government Act 2003 gives a discretionary power to Local Authorities to make Business Improvement District Arrangements, the purpose of these arrangements is to enable projects specified in the arrangements to be carried out for the benefit of the business improvement district or those who live, work or carry on any activity in the district and the project will be financed in whole or in part by a levy on any activity in the district. The legislation provides for the levy to be imposed on the non – domestic rate payers.

Guidance has been issued by the Department for Communities and Local Government (now the Department for Levelling up Housing and Communities) in March 2015. The arrangements set out in the report reflect the guidance.

Financial Implications:

Based upon the current ownership of Council properties within the BID boundary, if the vote is positive the Council would pay an annual BID levy of circa £37k per annum for a period of 5 years. With a ballot date of March 2022 year 1 of the BID will fall in the 2022/2023 financial year.

The first year will be funded from the BGI reserve with subsequent years costs being apportioned amongst those services who run the buildings which fall within the BID.

The Council will be responsible for the administration of the levy and its collection and therefore is entitled to recover administration costs equivalent to 3% of the BID levy income which is circa £12k per annum. The initial costs of the levy collection software at £20k and the annual licence fee of £3,300 are also fully recoverable from the levy.

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Background papers:

Bury Council Property List and BID Levy Payments

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
RV	Rateable Value
BID Levy	The annual levy paid towards the BID based on an agreed % (1.5%) of the rateable value of the premises.

Appendix A – Council Owned Property currently subject to the BID Levy

Please note that this list is subject to change (e.g. if the Council disposes of a building or asset). Any amendments would then impact on the actual BID Levy payments.

LOCATION	ADDRESS	POSTCODE	RV	BID Levy @ 1.5%
Bury Market, Murray Road	Murray Road	BL9 0BJ	£530,000	£7,950
3 Knowsley Place	Duke Street	BL9 0EJ	£500,000	£7,500
Bury Town hall (60 Knowsley Street)	Bury	BL9 0ST	£262,500	£3,938
Castle Leisure Centre	Bolton Street	BL9 0EZ	£200,000	£3,000
Lwr grnd/3rd flrs Humphrey House	Angouleme Way	BL9 0BQ	£183,000	£2,745
Bury Art Gallery and library	Moss Street	BL9 0DF	£158,000	£2,370
The Market Car Park	Spring Street	BL9 0RN	£133,000	£1,995
Bury Adult and Community Service	18 Haymarket Street	BL9 0AQ	£121,000	£1,815
Castle Leisure Centre Car Park	Bolton Street	BL9 0EZ	£93,000	£1,395
Car Park	Parsons Lane	BL9 0LY	£64,000	£960
Car Park	Trinity Street	BL9 0BL	£45,750	£686
Car Park	Bolton Street	BL9 0LQ	£41,500	£623
Car Park	Foundry St	BL9 7AZ	£38,500	£578
18-20 St Marys Place	Bury	BL9 0DZ	£32,250	£484
On George Street	Bury	BL9 0QT	£23,750	£356
BMBC Knowsley Court Car Park	Knowsley Street	BL9 0ST	£22,500	£338
Units 14 And 15	Bury Market	BL9 0BJ	£14,750	£221
Basement Bury Arts/Craft	Broad Street	BL9 0DA	£13,500	£203
		TOTAL	£2,477,000	£37,157