

BUSINESS IMPROVEMENT DISTRICT - HUNTINGDON
(Report by the Economic Development Manager)

1. INTRODUCTION

- 1.1 A BID is an arrangement whereby business get together, decide what additional improvements they want to make, how they are going to manage and deliver those improvements and what it will cost them. This all goes into a business plan which is voted on by all those who would have to pay. The BID can last for a maximum of 5 years and must be able to demonstrate how it has benefited businesses who have funded it.
- 1.2 There are currently about 140 BIDs in the UK, 30 of which have been to a re-ballot (2nd BID term) - of these 30 all have had successful 'yes' votes. Turnout in the ballot is an average 46% and on average 74% of those who vote in favour. Some 75,000 businesses are involved in BIDs in the UK.

2. BID Huntingdon

- 2.1 Huntingdon Town Partnership (HTP) completed a feasibility study last year which indicated that a BID would be possible in Huntingdon. It suggested a levy of 1.5% of Rateable Value for the 369 businesses in the study area. This would raise approximately £200,000 per annum, £1m over the term of the BID. The study indicated that businesses key priority areas for BID activities were: safety and security; marketing and promotion; events; graffiti and gum; central procurement; and, car parking.
- 2.2 The HTP have recently launched the development phase of the BID. During this phase consultation with potential levy payers determines a business plan which will be produced by 24th May, 2012. The 30 day ballot period is intended to close on 12th July, 2012.
- 2.3 HDC' s Economic Development team supported HTP during the feasibility study phase and continue to do so during the development phase with an officer and our Executive Leader sitting on the Task Group leading the project.

3. Key Issues for HDC

- 3.1 The ballot
The returning officer is responsible for instructing the ballot holder to hold a BID ballot. Full costs can be recovered from BID Huntingdon.

3.2 Operating agreement

If the ballot is successful the BID Regulations requires that we collect the BID levy into a ring-fenced account (called the BID Revenue Account).

The operating agreement relates to the arrangements for the setting, collection, enforcement and monitoring of the levy, the accounting for it and reimbursement of costs relating to collection.

3.3 As a levy payer

If the ballot is successful, and if the levy and boundaries are established as per feasibility report (1.5%) HDC's annual levy will be approximately £11,320, an approximate total of £56,600 over the 5 year BID period. We have provided funding of £27,000 for the development phase of the BID on the understanding that this is offset against our levy liability. That would leave a potential additional levy payable of about £29,600 over the five year period. This will come from existing budgets.

4. CONCLUSION

4.1 If the ballot is successful the Huntingdon BID is likely to secure approximately £1m over a 5 year period which will be invested in improving vibrancy and vitality of the town centre. 90% of this funding will come from the private sector.

4.2 The BID mechanism is wholly aligned with the principals of Localism.

5. RECOMMENDATIONS

5.1 That members note the report and recommend that:

- The Head of Customer Service be authorised to enter into the BID levy Operating Agreement required in order to meet the Council's obligations under the Local Government Act 2003.
- The Managing Director responsible for Communities, Partnerships & Projects be authorised to cast any votes to which HDC is entitled in the ballot after consultation with the Executive Leader

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