

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Huntingdon Business Improvement District (BID) Stage 2
Meeting/Date:	Overview and Scrutiny Panel (Economy and Growth) - 2nd February 2017 Cabinet – 9th February 2017
Executive Portfolio:	Executive Councillor for Growth, Councillor R Harrison
Report by:	Economic Development Manager, Sue Bedlow
Wards affected:	Huntingdon Wards

Executive Summary:

The Business Improvement District (BID) in Huntingdon is coming to the end of its five year term and is working towards a re-ballot in the summer of 2017. During the first BID period of 5 years the BID has successfully delivered the Business Plan for which it was approved and there is no reason to believe that it will not do so in this second term. Indeed now that the mechanism is well established, during its second term it should be able to make an immediate and greater impact by building on the impetus of the first period.

Projects funded through the BID thus far include Town Rangers, free membership to Huntingdonshire Business Against Crime (HBAC) scheme, LIVE magazine, business support, training and information, support for events, along with all the marketing events and promotional activities including the Huntingdon First website. (The full benefits of the BID are outlined in Appendix 1.)

Over the course of the next 5 years the BID should raise almost £1m, around 90% of which will come from the private sector, for the support and development of a vibrant town centre. As a levy payer HDC currently contributes £10,680 annually towards the BID and total contributions for any individual payer are currently capped at £15,000 a year. As the collections agency for the BID we currently charge the BID £5,961 for issuing the invoices and collecting the levy.

Recommendation(s):

That the Cabinet approve that:

- The Head of Customer Service to 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 Head of Development to be authorised to cast positively any votes to which HDC is entitled in the ballot.

1. PURPOSE OF THE REPORT

- 1.1 In relation to the re-ballot for BID Huntingdon, to seek the delegation of powers as follows:
- The Head of Customer Service to 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 Head of Development to be authorised to cast positively any votes to which HDC is entitled in the ballot.

2. WHY IS THIS REPORT NECESSARY/BACKGROUND

- 2.1 BID Huntingdon comes to the end of its first 5 year period at the end of September 2017. In order to continue its work it must seek endorsement for a second period of up to 5 years by means of a ballot of all potential levy payers in the summer. This has implications for HDC as a levy payer for its property, as the returning officer and as the collections agent for the BID.

3. CONTEXT AND ANALYSIS

- 3.1 A Business Improvement District, or BID, is an arrangement whereby businesses collaborate to decide what services and improvements (in addition to those already provided) they wish to make in their location, how they are going to manage and deliver those improvements and what they are prepared to pay to make them happen. This information forms a business plan that will be voted upon by all prospective levy payers. If the majority vote YES by both number and rateable value a BID is created. The BID Company exists for a maximum of five years and must spend the funding raised within the BID area and in accordance with the agreed business plan.
- 3.2 In 2012 the potential levy payers voted 81% by number and 85% by rateable value in favour of establishing BID Huntingdon. It is very rare for a BID in the second ballot to be unsuccessful. (Please see Appendix 2 to view the BID's catchment area.)
- 3.3 Throughout the 5 year period HDC has had a councillor representative on the Board of Directors of the BID Company in addition to which, the Economic Development Manager attends meetings as an adviser to the Board.

4. COMMENTS OF OVERVIEW & SCRUTINY

- 4.1 The comments of the Overview and Scrutiny Panel (Economy and Growth) from the meeting on 2nd February 2017 will be circulated to the Cabinet subsequent to the meeting.

5. KEY IMPACTS ON HDC

- 5.1 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.
- 5.2 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.

5.3 As a levy payer for its property – If the ballot is successful, and if the levy and boundaries are established as per the current BID (1.5%) HDC's annual levy contribution will continue at approximately £10,680.

6. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND / OR CORPORATE OBJECTIVES

6.1 BID services make a direct contribution to the Corporate Plan both under the Delivering Sustainable Growth Theme (accelerating business growth and investment) and the Enabling communities theme (create, protect and enhance our safe and clean built and green environment)

7. RESOURCE IMPLICATIONS

7.1 Continued levy payments of approximately £10,680 a year.

7.2 Continued receipt of approximately £6,000 for collection services.

8. REASONS FOR THE RECOMMENDED DECISIONS

8.1 If the ballot for the new BID period 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.

8.2 If the ballot is unsuccessful, then BID Huntingdon will cease to exist in its entirety on 1st October 2017. All of the services such as Town Rangers, free membership to Huntingdonshire Business Against Crime (HBAC) scheme, LIVE magazine, business support, training and information, support for events, along with all the marketing events and promotional activities including the Huntingdon First website will stop.

8.3 The BID mechanism is wholly aligned with the principles of Devolution and Localism.

8.4 It is recommended that members comment on the report and the Overview and Scrutiny Panel recommends, and Cabinet resolves, 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 Head of Development be authorised to cast positively any votes to which HDC is entitled in the ballot.

9. LIST OF APPENDICIES INCLUDED

Appendix 1: Draft BID Huntingdon Renewal Newsletter

Appendix 2: Map of the BID Huntingdon Area

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